

PART 70 OPERATING PERMIT OFFICE OF AIR QUALITY

**Portside Energy
6290 US Highway 12
Portage, Indiana 46368**

(herein known as the Permittee) is hereby authorized to operate subject to the conditions contained herein, the source described in Section A (Source Summary) of this permit.

This permit is issued in accordance with 326 IAC 2 and 40 CFR Part 70 Appendix A and contains the conditions and provisions specified in 326 IAC 2-7 as required by 42 U.S.C. 7401, et. seq. (Clean Air Act as amended by the 1990 Clean Air Act Amendments), 40 CFR Part 70.6, IC 13-15 and IC 13-17.

Operation Permit No.: T127-10138-00067	
Issued by: Signed by Janet G. McCabe, Assistant Commissioner Office of Air Quality	Issuance Date: April 17, 2003 Expiration Date:

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SECTION A

SOURCE SUMMARY

This permit is based on information requested by the Indiana Department of Environmental Management (IDEM), Office of Air Quality (OAQ). The information describing the source contained in conditions A.1 through A.3 is descriptive information and does not constitute enforceable conditions. However, the Permittee should be aware that a physical change or a change in the method of operation that may render this descriptive information obsolete or inaccurate may trigger requirements for the Permittee to obtain additional permits or seek modification of this permit pursuant to 326 IAC 2, or change other applicable requirements presented in the permit application.

A.1 General Information [326 IAC 2-7-4(c)] [326 IAC 2-7-5(15)] [326 IAC 2-7-1(22)]

The Permittee owns and operates a stationary electric generating station.

Responsible Official:	Mr. V. Michael Alverson Vice President, Primary Energy
Source Address:	6290 US Highway12, Portage, Indiana 46368
Mailing Address:	8407 Virginia Street, Merrillville, Indiana 46410
General Source Phone Number:	(219)647-6071 or (219)763-7426
SIC Code:	4911
County Location:	Porter
Source Location Status:	Nonattainment for ozone Attainment for all other criteria pollutants
Source Status:	Part 70 Permit Program Major Source, under PSD and Emission Offset Rules; Minor Source, Section 112 of the Clean Air Act 1 of 28 Source Categories

A.2 Emission Units and Pollution Control Equipment Summary [326 IAC 2-7-4(c)(3)] [326 IAC 2-7-5(15)]

This stationary source consists of the following emission units and pollution control devices:

- (1) One (1) natural gas fired dry low NOx combustion turbine in a combined cycle configuration, constructed in 1997, identified as CT-1, with a nominal design capacity of 498 mmBtu/hour at ISO conditions, and exhausting to stack CT-01.
- (2) Two (2) natural gas fired auxiliary boilers, constructed in 1997, with a nominal design capacity of 260 mmBtu/hr for each boiler, using low-NOx burners and flue gas recirculation as NOx inhibitors, and exhausting to two (2) stacks of ninety (90) feet each. Propane will be used for testing or as the backup fuel source. The exhaust from the combustion turbine and auxiliary boilers will produce a nominal design of 500,000 pounds of steam per hour and 63 megawatts of electricity.

A.3 Specifically Regulated Insignificant Activities [326 IAC 2-7-1(21)][326 IAC 2-7-4(c)] [326 IAC 2-7-5(15)]

This stationary source also includes the following insignificant activities which are specifically regulated, as defined in 326 IAC 2-7-1(21):

- (a) Degreasing operations that do not exceed 145 gallons per 12 months.

A.4 Part 70 Permit Applicability [326 IAC 2-7-2]

This stationary source is required to have a Part 70 permit by 326 IAC 2-7-2 (Applicability) because:

- (a) It is a major source, as defined in 326 IAC 2-7-1(22);
- (b) It is a source in a source category designated by the United States Environmental Protection Agency (U.S. EPA) under 40 CFR 70.3 (Part 70 - Applicability).

SECTION B GENERAL CONDITIONS

B.1 Definitions [326 IAC 2-7-1]

Terms in this permit shall have the definition assigned to such terms in the referenced regulation. In the absence of definitions in the referenced regulation, the applicable definitions found in the statutes or regulations (IC 13-11, 326 IAC 1-2 and 326 IAC 2-7) shall prevail.

B.2 Permit Term [326 IAC 2-7-5(2)] [326 IAC 2-1.1-9.5]

This permit is issued for a fixed term of five (5) years from the issuance date of this permit, as determined in accordance with IC 4-21.5-3-5(f) and IC 13-15-5-3. Subsequent revisions, modifications, or amendments of this permit do not affect the expiration date of this permit or of permits issued pursuant to Title IV of the Clean Air Act and 326 IAC 21 (Acid Deposition Control).

B.3 Enforceability [326 IAC 2-7-7]

Unless otherwise stated, all terms and conditions in this permit, including any provisions designed to limit the source's potential to emit, are enforceable by IDEM, the United States Environmental Protection Agency (U.S. EPA) and by citizens in accordance with the Clean Air Act.

B.4 Termination of Right to Operate [326 IAC 2-7-10] [326 IAC 2-7-4(a)]

The Permittee's right to operate this source terminates with the expiration of this permit unless a timely and complete renewal application is submitted at least nine (9) months prior to the date of expiration of the source's existing permit, consistent with 326 IAC 2-7-3 and 326 IAC 2-7-4(a).

B.5 Severability [326 IAC 2-7-5(5)]

The provisions of this permit are severable; a determination that any portion of this permit is invalid shall not affect the validity of the remainder of the permit.

B.6 Property Rights or Exclusive Privilege [326 IAC 2-7-5(6)(D)]

This permit does not convey any property rights of any sort, or any exclusive privilege.

B.7 Duty to Supplement and Provide Information [326 IAC 2-7-4(b)] [326 IAC 2-7-5(6)(E)] [326 IAC 2-7-6(6)]

- (a) The Permittee, upon becoming aware that any relevant facts were omitted or incorrect information was submitted in the permit application, shall promptly submit such supplementary facts or corrected information to:

Indiana Department of Environmental Management
Permits Branch, Office of Air Quality
100 North Senate Avenue, P. O. Box 6015
Indianapolis, Indiana 46206-6015

The submittal by the Permittee does require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

- (b) The Permittee shall furnish to IDEM, OAQ, within a reasonable time, any information that IDEM, OAQ, may request in writing to determine whether cause exists for modifying, revoking and reissuing, or terminating this permit, or to determine compliance with this permit. The submittal by the Permittee does require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34). Upon request, the Permittee shall also furnish to IDEM, OAQ, copies of records required to be kept by this permit or, for information claimed to be confidential, the Permittee may furnish such records directly to the U. S. EPA along with a claim of confidentiality. [326 IAC 2-7-5(6)(E)]

- (c) For information furnished by the Permittee to IDEM, OAQ, the Permittee may include a claim of confidentiality in accordance with 326 IAC 17.1. When furnishing copies of requested records directly to U. S. EPA, the Permittee may assert a claim of confidentiality in accordance with 40 CFR 2, Subpart B.

B.8 Compliance with Permit Conditions [326 IAC 2-7-5(6)(A)] [326 IAC 2-7-5(6)(B)]

- (a) The Permittee must comply with all conditions of this permit. Noncompliance with any provisions of this permit is grounds for:
 - (1) Enforcement action;
 - (2) Permit termination, revocation and reissuance, or modification; or
 - (3) Denial of a permit renewal application.
- (b) Noncompliance with any provision of this permit, except any provision specifically designated as not federally enforceable, constitutes a violation of the Clean Air Act.
- (c) It shall not be a defense for the Permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this permit.
- (d) An emergency does constitute an affirmative defense in an enforcement action provided the Permittee complies with the applicable requirements set forth in Section B, Emergency Provisions.

B.9 Certification [326 IAC 2-7-4(f)] [326 IAC 2-7-6(1)] [326 IAC 2-7-5(3)(C)]

- (a) Where specifically designated by this permit or required by an applicable requirement, any application form, report, or compliance certification submitted shall contain certification by a responsible official of truth, accuracy, and completeness. This certification shall state that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate, and complete.
- (b) One (1) certification shall be included, using the attached Certification Form, with each submittal requiring certification. One (1) certification can cover multiple forms in one (1) submittal.
- (c) A responsible official is defined at 326 IAC 2-7-1(34).

B.10 Annual Compliance Certification [326 IAC 2-7-6(5)]

- (a) The Permittee shall annually submit a compliance certification report which addresses the status of the source's compliance with the terms and conditions contained in this permit, including emission limitations, standards, or work practices. All certifications shall cover the time period from January 1 to December 31 of the previous year, and shall be submitted in letter form no later than April 15 of each year to:

Indiana Department of Environmental Management
Compliance Branch, Office of Air Quality
100 North Senate Avenue, P. O. Box 6015
Indianapolis, Indiana 46206-6015

and

United States Environmental Protection Agency, Region V
Air and Radiation Division, Air Enforcement Branch - Indiana (AE-17J)
77 West Jackson Boulevard
Chicago, Illinois 60604-3590

- (b) The annual compliance certification report required by this permit shall be considered timely if the date postmarked on the envelope or certified mail receipt, or affixed by the shipper on the private shipping receipt, is on or before the date it is due. If the document is submitted by any other means, it shall be considered timely if received by IDEM, OAQ, on or before the date it is due.
- (c) The annual compliance certification report shall include the following:
 - (1) The appropriate identification of each term or condition of this permit that is the basis of the certification;
 - (2) The compliance status;
 - (3) Whether compliance was continuous or intermittent; and
 - (4) The methods used for determining the compliance status of the source, currently and over the reporting period consistent with 326 IAC 2-7-5(3).

The submittal by the Permittee does require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

B.11 Preventive Maintenance Plan [326 IAC 2-7-5(1),(3) and (13)] [326 IAC 2-7-6(1) and (6)]
[326 IAC 1-6-3]

- (a) If required by specific condition(s) in Section D of this permit, the Permittee shall maintain and implement Preventive Maintenance Plans (PMPs), including the following information on each facility:
 - (1) Identification of the individual(s) responsible for inspecting, maintaining, and repairing emission control devices;
 - (2) A description of the items or conditions that will be inspected and the inspection schedule for said items or conditions; and
 - (3) Identification and quantification of the replacement parts that will be maintained in inventory for quick replacement.

If, due to circumstances beyond the Permittee's control, the PMPs cannot be prepared and maintained within the above time frame, the Permittee may extend the date an additional ninety (90) days provided the Permittee notifies:

Indiana Department of Environmental Management
Compliance Branch, Office of Air Quality
100 North Senate Avenue, P.O. Box 6015
Indianapolis, Indiana 46206-6015

- (b) The Permittee shall implement the PMPs as necessary to ensure that failure to implement a PMP does not cause or contribute to a violation of any limitation on emissions or potential to emit.

- (c) A copy of the PMPs shall be submitted to IDEM, OAQ, upon request and within a reasonable time, and shall be subject to review and approval by IDEM, OAQ. IDEM, OAQ, may require the Permittee to revise its PMPs whenever lack of proper maintenance causes or contributes to any violation. The submittal of the PMP and the PMP extension notification does not require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).
- (d) Records of preventive maintenance shall be retained for a period of at least five (5) years. These records shall be kept at the source location for a minimum of three (3) years. The records may be stored elsewhere for the remaining two (2) years as long as they are available upon request. If the Commissioner makes a request for records to the Permittee, the Permittee shall furnish the records to the Commissioner within a reasonable time.

B.12 Emergency Provisions [326 IAC 2-7-16]

- (a) An emergency, as defined in 326 IAC 2-7-1(12), is not an affirmative defense for an action brought for noncompliance with a federal or state health-based emission limitation.
- (b) An emergency, as defined in 326 IAC 2-7-1(12), constitutes an affirmative defense to an action brought for noncompliance with a technology-based emission limitation if the affirmative defense of an emergency is demonstrated through properly signed, contemporaneous operating logs or other relevant evidence that describe the following:
 - (1) An emergency occurred and the Permittee can, to the extent possible, identify the causes of the emergency;
 - (2) The permitted facility was at the time being properly operated;
 - (3) During the period of an emergency, the Permittee took all reasonable steps to minimize levels of emissions that exceeded the emission standards or other requirements in this permit;
 - (4) For each emergency lasting one (1) hour or more, the Permittee notified IDEM, OAQ and the Northwest Regional Office within four (4) daytime business hours after the beginning of the emergency, or after the emergency was discovered or reasonably should have been discovered;

Telephone Number: 1-800-451-6027 (ask for Office of Air Quality,
Compliance Section), or
Telephone Number: 317-233-5674 (ask for Compliance Section)
Facsimile Number: 317-233-5967

Northwest Regional Office
Telephone Number 1-888-209-8892
Facsimile Number: 219-881-6745

- (5) For each emergency lasting one (1) hour or more, the Permittee submitted the attached Emergency Occurrence Report Form or its equivalent, either by mail or facsimile to:

Indiana Department of Environmental Management
Compliance Branch, Office of Air Quality
100 North Senate Avenue, P. O. Box 6015
Indianapolis, Indiana 46206-6015

within two (2) working days of the time when emission limitations were exceeded due to the emergency.

The notice fulfills the requirement of 326 IAC 2-7-5(3)(C)(ii) and must contain the following:

- (A) A description of the emergency;
- (B) Any steps taken to mitigate the emissions; and
- (C) Corrective actions taken.

The notification which shall be submitted by the Permittee does not require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

- (6) The Permittee immediately took all reasonable steps to correct the emergency.
- (c) In any enforcement proceeding, the Permittee seeking to establish the occurrence of an emergency has the burden of proof.
- (d) This emergency provision supersedes 326 IAC 1-6 (Malfunctions). This permit condition is in addition to any emergency or upset provision contained in any applicable requirement.
- (e) IDEM, OAQ, may require that the Preventive Maintenance Plans required under 326 IAC 2-7-4-(c)(10) be revised in response to an emergency.
- (f) Failure to notify IDEM, OAQ, by telephone or facsimile of an emergency lasting more than one (1) hour in accordance with (b)(4) and (5) of this condition shall constitute a violation of 326 IAC 2-7 and any other applicable rules.
- (g) If the emergency situation causes a deviation from a technology-based limit, the Permittee may continue to operate the affected emitting facilities during the emergency provided the Permittee immediately takes all reasonable steps to correct the emergency and minimize emissions.
- (h) Permittee shall include all emergencies in the Quarterly Deviation and Compliance Monitoring Report.

B.13 Permit Shield [326 IAC 2-7-15] [326 IAC 2-7-20] [326 IAC 2-7-12]

- (a) Pursuant to 326 IAC 2-7-15, the Permittee has been granted a permit shield. The permit shield provides that compliance with the conditions of this permit shall be deemed compliance with any applicable requirements as of the date of permit issuance, provided that either the applicable requirements are included and specifically identified in this permit or the permit contains an explicit determination or concise summary of a determination that other specifically identified requirements are not applicable. The Indiana statutes from IC 13 and rules from 326 IAC, referenced in conditions in this permit, are those applicable at the time the permit was issued. The issuance or possession of this permit shall not alone constitute a defense against an alleged violation of any law, regulation or standard, except for the requirement to obtain a Part 70 permit under 326 IAC 2-7 or for applicable requirements for which a permit shield has been granted.

This permit shield does not extend to applicable requirements which are promulgated after the date of issuance of this permit unless this permit has been modified to reflect

such new requirements.

- (b) If, after issuance of this permit, it is determined that the permit is in nonconformance with an applicable requirement that applied to the source on the date of permit issuance, IDEM, OAQ, shall immediately take steps to reopen and revise this permit and issue a compliance order to the Permittee to ensure expeditious compliance with the applicable requirement until the permit is reissued. The permit shield shall continue in effect so long as the Permittee is in compliance with the compliance order.
- (c) No permit shield shall apply to any permit term or condition that is determined after issuance of this permit to have been based on erroneous information supplied in the permit application. Erroneous information means information that the Permittee knew to be false, or in the exercise of reasonable care should have been known to be false, at the time the information was submitted.
- (d) Nothing in 326 IAC 2-7-15 or in this permit shall alter or affect the following:
 - (1) The provisions of Section 303 of the Clean Air Act (emergency orders), including the authority of the U.S. EPA under Section 303 of the Clean Air Act;
 - (2) The liability of the Permittee for any violation of applicable requirements prior to or at the time of this permit's issuance;
 - (3) The applicable requirements of the acid rain program, consistent with Section 408(a) of the Clean Air Act; and
 - (4) The ability of U.S. EPA to obtain information from the Permittee under Section 114 of the Clean Air Act.
- (e) This permit shield is not applicable to any change made under 326 IAC 2-7-20(b)(2) (Sections 502(b)(10) of the Clean Air Act changes) and 326 IAC 2-7-20(c)(2) (trading based on State Implementation Plan (SIP) provisions).
- (f) This permit shield is not applicable to modifications eligible for group processing until after IDEM, OAQ, has issued the modifications. [326 IAC 2-7-12(c)(7)]
- (g) This permit shield is not applicable to minor Part 70 permit modifications until after IDEM, OAQ, has issued the modification. [326 IAC 2-7-12(b)(8)]

B.14 Prior Permits Superseded [326 IAC 2-1.1-9.5]

- (a) All terms and conditions of previous permits issued pursuant to permitting programs approved into the state implementation plan have been either
 - (1) incorporated as originally stated,
 - (2) revised, or
 - (3) deletedby this permit.
- (b) All previous registrations and permits are superseded by this permit, except for permits issued pursuant to Title IV of the Clean Air Act and 326 IAC 21 (Acid Deposition Control).

B.15 Deviations from Permit Requirements and Conditions [326 IAC 2-7-5(3)(C)(ii)]

- (a) Deviations from any permit requirements (for emergencies see Section B - Emergency Provisions), the probable cause of such deviations, and any response steps or preventive measures taken shall be reported to:

Indiana Department of Environmental Management
Compliance Data Section, Office of Air Quality
100 North Senate Avenue, P.O. Box 6015
Indianapolis, Indiana 46206-6015

using the attached Quarterly Deviation and Compliance Monitoring Report, or its equivalent. A deviation required to be reported pursuant to an applicable requirement that exists independent of this permit, shall be reported according to the schedule stated in the applicable requirement and does not need to be included in this report.

The Quarterly Deviation and Compliance Monitoring Report does require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

- (b) A deviation is an exceedance of a permit limitation or a failure to comply with a requirement of the permit.

B.16 Permit Modification, Reopening, Revocation and Reissuance, or Termination
[326 IAC 2-7-5(6)(C)] [326 IAC 2-7-8(a)] [326 IAC 2-7-9]

- (a) This permit may be modified, reopened, revoked and reissued, or terminated for cause. The filing of a request by the Permittee for a Part 70 permit modification, revocation and reissuance, or termination, or of a notification of planned changes or anticipated noncompliance does not stay any condition of this permit. [326 IAC 2-7-5(6)(C)] The notification by the Permittee does require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).
- (b) This permit shall be reopened and revised under any of the circumstances listed in IC 13-15-7-2 or if IDEM, OAQ, determines any of the following:
- (1) That this permit contains a material mistake.
 - (2) That inaccurate statements were made in establishing the emissions standards or other terms or conditions.
 - (3) That this permit must be revised or revoked to assure compliance with an applicable requirement. [326 IAC 2-7-9(a)(3)]
- (c) Proceedings by IDEM, OAQ, to reopen and revise this permit shall follow the same procedures as apply to initial permit issuance and shall affect only those parts of this permit for which cause to reopen exists. Such reopening and revision shall be made as expeditiously as practicable. [326 IAC 2-7-9(b)]
- (d) The reopening and revision of this permit, under 326 IAC 2-7-9(a), shall not be initiated before notice of such intent is provided to the Permittee by IDEM, OAQ at least thirty (30) days in advance of the date this permit is to be reopened, except that IDEM, OAQ, may provide a shorter time period in the case of an emergency. [326 IAC 2-7-9(c)]

B.17 Permit Renewal [326 IAC 2-7-3] [326 IAC 2-7-4]

- (a) The application for renewal shall be submitted using the application form or forms prescribed by IDEM, OAQ, and shall include the information specified in 326 IAC 2-7-4. Such information shall be included in the application for each emission unit at this source,

except those emission units included on the trivial or insignificant activities list contained in 326 IAC 2-7-1(21) and 326 IAC 2-7-1(40). The renewal application does require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

Request for renewal shall be submitted to:

Indiana Department of Environmental Management
Permits Branch, Office of Air Quality
100 North Senate Avenue, P.O. Box 6015
Indianapolis, Indiana 46206-6015

- (b) Timely Submittal of Permit Renewal [326 IAC 2-7-4(a)(1)(D)]
 - (1) A timely renewal application is one that is:
 - (A) Submitted at least nine (9) months prior to the date of the expiration of this permit; and
 - (B) If the date postmarked on the envelope or certified mail receipt, or affixed by the shipper on the private shipping receipt, is on or before the date it is due. If the document is submitted by any other means, it shall be considered timely if received by IDEM, OAQ, on or before the date it is due.
 - (2) If IDEM, OAQ, upon receiving a timely and complete permit application, fails to issue or deny the permit renewal prior to the expiration date of this permit, this existing permit shall not expire and all terms and conditions shall continue in effect, including any permit shield provided in 326 IAC 2-7-15, until the renewal permit has been issued or denied.
- (c) Right to Operate After Application for Renewal [326 IAC 2-7-3] [326 IAC 2-7-4]

If the Permittee submits a timely and complete application for renewal of this permit, the source's failure to have a permit is not a violation of 326 IAC 2-7 until IDEM, OAQ, takes final action on the renewal application, except that this protection shall cease to apply if, subsequent to the completeness determination, the Permittee fails to submit by a reasonable deadline specified in writing by IDEM, OAQ, any additional information identified as being needed to process the application. [326 IAC 2-7-4(a)(2)(D) and (E)]
- (d) United States Environmental Protection Agency Authority [326 IAC 2-7-8(e)]

If IDEM, OAQ, fails to act in a timely way on a Part 70 permit renewal, the U.S. EPA may invoke its authority under Section 505(e) of the Clean Air Act to terminate or revoke and reissue a Part 70 permit.

B.18 Source Modification [326 IAC 1-2-42] [326 IAC 2-7-10.5]

- (a) The Permittee shall obtain approval as required by 326 IAC 2-7-10.5 from the OAQ prior to making any modification to the source. Pursuant to 326 IAC 1-2-42, "Modification" means one (1) or more of the following activities at an existing source:
 - (1) A physical change or change in the method of operation of any existing emissions unit that increases the potential to emit any regulated pollutant that could be emitted from the emissions unit, or that results in emissions of any regulated pollutant not previously emitted.
 - (2) Construction of one (1) or more new emissions units that have the potential to emit regulated air pollutants.

- (3) Reconstruction of one (1) or more existing emission units that increases the potential to emit of any regulated air pollutant.
- (b) Any application requesting a source modification shall be submitted to:

Indiana Department of Environmental Management
Permits Branch, Office of Air Quality
100 North Senate Avenue, P.O. Box 6015
Indianapolis, Indiana 46206-6015

Any such application shall be certified by the "responsible official" as defined by 326 IAC 2-7-1(34).

- (c) The Permittee shall also comply with the applicable provisions of 326 IAC 2-7-11 (Administrative Permit Amendments) or 326 IAC 2-7-12 (Permit Modification) prior to operating the approved modification.

B.19 Permit Amendment or Modification [326 IAC 2-7-11] [326 IAC 2-7-12] [40 CFR 72]

- (a) Permit amendments and modifications are governed by the requirements of 326 IAC 2-7-11 or 326 IAC 2-7-12 whenever the Permittee seeks to amend or modify this permit.
- (b) Pursuant to 326 IAC 2-7-11(b) and 326 IAC 2-7-12(a), administrative Part 70 permit amendments and permit modifications for purposes of the acid rain portion of a Part 70 permit shall be governed by regulations promulgated under Title IV of the Clean Air Act. [40 CFR 72]
- (c) Any application requesting an amendment or modification of this permit shall be submitted to:

Indiana Department of Environmental Management
Permits Branch, Office of Air Quality
100 North Senate Avenue, P.O. Box 6015
Indianapolis, Indiana 46206-6015

Any such application shall be certified by the "responsible official" as defined by 326 IAC 2-7-1(34).

- (d) The Permittee may implement administrative amendment changes addressed in the request for an administrative amendment immediately upon submittal of the request. [326 IAC 2-7-11(c)(3)]

B.20 Permit Revision Under Economic Incentives and Other Programs [326 IAC 2-7-5(8)] [326 IAC 2-7-12 (b)(2)]

- (a) No Part 70 permit revision shall be required under any approved economic incentives, marketable Part 70 permits, emissions trading, and other similar programs or processes for changes that are provided for in a Part 70 permit.
- (b) Notwithstanding 326 IAC 2-7-12(b)(1) and 326 IAC 2-7-12(c)(1), minor Part 70 permit modification procedures may be used for Part 70 modifications involving the use of economic incentives, marketable Part 70 permits, emissions trading, and other similar approaches to the extent that such minor Part 70 permit modification procedures are explicitly provided for in the applicable State Implementation Plan (SIP) or in applicable requirements promulgated or approved by the U.S. EPA.

B.21 Operational Flexibility [326 IAC 2-7-20] [326 IAC 2-7-10.5]

- (a) The Permittee may make any change or changes at the source that are described in 326 IAC 2-7-20(b), (c), or (e), without a prior permit revision, if each of the following conditions is met:
- (1) The changes are not modifications under any provision of Title I of the Clean Air Act;
 - (2) Any preconstruction approval required by 326 IAC 2-7-10.5 has been obtained;
 - (3) The changes do not result in emissions which exceed the emissions allowable under this permit (whether expressed herein as a rate of emissions or in terms of total emissions);
 - (4) The Permittee notifies the:

Indiana Department of Environmental Management
Permits Branch, Office of Air Quality
100 North Senate Avenue, P. O. Box 6015
Indianapolis, Indiana 46206-6015

and

United States Environmental Protection Agency, Region V
Air and Radiation Division, Regulation Development Branch - Indiana (AR-18J)
77 West Jackson Boulevard
Chicago, Illinois 60604-3590

in advance of the change by written notification at least ten (10) days in advance of the proposed change. The Permittee shall attach every such notice to the Permittee's copy of this permit; and
 - (5) The Permittee maintains records on-site which document, on a rolling five (5) year basis, all such changes and emissions trading that are subject to 326 IAC 2-7-20(b), (c), or (e) and makes such records available, upon reasonable request, for public review.

Such records shall consist of all information required to be submitted to IDEM, OAQ, in the notices specified in 326 IAC 2-7-20(b)(1), (c)(1), and (e)(2).
- (b) The Permittee may make Section 502(b)(10) of the Clean Air Act changes (this term is defined at 326 IAC 2-7-1(36)) without a permit revision, subject to the constraint of 326 IAC 2-7-20(a). For each such Section 502(b)(10) of the Clean Air Act change, the required written notification shall include the following:
- (1) A brief description of the change within the source;
 - (2) The date on which the change will occur;
 - (3) Any change in emissions; and
 - (4) Any permit term or condition that is no longer applicable as a result of the change.

The notification which shall be submitted is not considered an application form, report or compliance certification. Therefore, the notification by the Permittee does not require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

- (c) Emission Trades [326 IAC 2-7-20(c)]
The Permittee may trade increases and decreases in emissions in the source, where the applicable SIP provides for such emission trades without requiring a permit revision, subject to the constraints of Section (a) of this condition and those in 326 IAC 2-7-20(c).
- (d) Alternative Operating Scenarios [326 IAC 2-7-20(d)]
The Permittee may make changes at the source within the range of alternative operating scenarios that are described in the terms and conditions of this permit in accordance with 326 IAC 2-7-5(9). No prior notification of IDEM, OAQ, or U.S. EPA is required.
- (e) Backup fuel switches specifically addressed in, and limited under, Section D of this permit shall not be considered alternative operating scenarios. Therefore, the notification requirements of part (a) of this condition do not apply.

B.22 Inspection and Entry [326 IAC 2-7-6] [IC 13-14-2-2]

Upon presentation of proper identification cards, credentials, and other documents as may be required by law, and subject to the Permittee's right under all applicable laws and regulations to assert that the information collected by the agency is confidential and entitled to be treated as such, the Permittee shall allow IDEM, OAQ, U.S. EPA, or an authorized representative to perform the following:

- (a) Enter upon the Permittee's premises where a Part 70 source is located, or emissions related activity is conducted, or where records must be kept under the conditions of this permit;
- (b) Have access to and copy any records that must be kept under the conditions of this permit;
- (c) Inspect any facilities, equipment (including monitoring and air pollution control equipment), practices, or operations regulated or required under this permit;
- (d) As authorized by the CAA, sample or monitor substances or parameters for the purpose of assuring compliance with this permit or applicable requirements; and
- (e) Utilize any photographic, recording, testing, monitoring, or other equipment for the purpose of assuring compliance with this permit or applicable requirements.

B.23 Transfer of Ownership or Operational Control [326 IAC 2-7-11]

- (a) The Permittee must comply with the requirements of 326 IAC 2-7-11 whenever the Permittee seeks to change the ownership or operational control of the source and no other change in the permit is necessary.
- (b) Any written request for a change in the ownership or operational control of the source shall contain a written agreement containing a specific date for transfer of permit responsibility, coverage and liability between the current and new Permittee. The written request shall be submitted to:

Indiana Department of Environmental Management
Permits Branch, Office of Air Quality
100 North Senate Avenue, P.O. Box 6015
Indianapolis, Indiana 46206-6015

The written request which shall be submitted by the Permittee does require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

- (c) The Permittee may implement administrative amendment changes addressed in the request for an administrative amendment immediately upon submittal of the written request. [326 IAC 2-7-11(c)(3)]

B.24 Annual Fee Payment [326 IAC 2-7-19] [326 IAC 2-7-5(7)] [326 IAC 2-1.1-7]

- (a) The Permittee shall pay annual fees to IDEM, OAQ, within thirty (30) calendar days of receipt of a billing. Pursuant to 326 IAC 2-7-19(b), if the Permittee does not receive a bill from IDEM, OAQ, the applicable fee is due April 1 of each year.
- (b) Except as provided in 326 IAC 2-7-19(e), failure to pay may result in administrative enforcement action or revocation of this permit.
- (c) The Permittee may call the following telephone numbers: 1-800-451-6027 or 317-233-4230 (ask for OAQ, I/M & Billing Section), to determine the appropriate permit fee.

SECTION C

SOURCE OPERATION CONDITIONS

Entire Source

Emission Limitations and Standards [326 IAC 2-7-5(1)]

C.1 Opacity [326 IAC 5-1]

Pursuant to 326 IAC 5-1-2 (Opacity Limitations), except as provided in 326 IAC 5-1-3 (Temporary Alternative Opacity Limitations), opacity shall meet the following, unless otherwise stated in this permit:

- (a) Opacity shall not exceed an average of forty percent (40%) in any one (1) six (6) minute averaging period as determined in 326 IAC 5-1-4.
- (b) Opacity shall not exceed sixty percent (60%) for more than a cumulative total of fifteen (15) minutes (sixty (60) readings as measured according to 40 CFR 60, Appendix A, Method 9 or fifteen (15) one (1) minute nonoverlapping integrated averages for a continuous opacity monitor) in a six (6) hour period.

C.2 Open Burning [326 IAC 4-1] [IC 13-17-9]

The Permittee shall not open burn any material except as provided in 326 IAC 4-1-3, 326 IAC 4-1-4 or 326 IAC 4-1-6. The previous sentence notwithstanding, the Permittee may open burn in accordance with an open burning approval issued by the Commissioner under 326 IAC 4-1-4.1. 326 IAC 4-1-3 (a)(2)(A) and (B) are not federally enforceable.

C.3 Incineration [326 IAC 4-2][326 IAC 9-1-2]

The Permittee shall not operate an incinerator or incinerate any waste or refuse except as provided in 326 IAC 4-2 and 326 IAC 9-1-2. 326 IAC 9-1-2 is not federally enforceable.

C.4 Fugitive Dust Emissions [326 IAC 6-4]

The Permittee shall not allow fugitive dust to escape beyond the property line or boundaries of the property, right-of-way, or easement on which the source is located, in a manner that violates 326 IAC 6-4 (Fugitive Dust Emissions). 326 IAC 6-4-2(4) is not federally enforceable.

C.5 Asbestos Abatement Projects [326 IAC 14-10] [326 IAC 18] [40 CFR 61, Subpart M]

The Permittee shall comply with the applicable requirements of 326 IAC 14-10, 326 IAC 18, and 40 CFR 61.140.

Testing Requirements [326 IAC 2-7-6(1)]

C.6 Performance Testing [326 IAC 3-6]

- (a) All testing shall be performed according to the provisions of 326 IAC 3-6 (Source Sampling Procedures), except as provided elsewhere in this permit, utilizing any applicable procedures and analysis methods specified in 40 CFR 51, 40 CFR 60, 40 CFR 61, 40 CFR 63, 40 CFR 75, or other procedures approved by IDEM, OAQ.

A test protocol, except as provided elsewhere in this permit, shall be submitted to:

Indiana Department of Environmental Management
Compliance Data Section, Office of Air Quality
100 North Senate Avenue, P. O. Box 6015
Indianapolis, Indiana 46206-6015

no later than thirty-five (35) days prior to the intended test date. The protocol submitted by the Permittee does not require certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

- (b) The Permittee shall notify IDEM, OAQ of the actual test date at least fourteen (14) days prior to the actual test date. The notification submitted by the Permittee does not require certification by the "responsible official" as defined by 326 IAC 2-7-1(34).
- (c) Pursuant to 326 IAC 3-6-4(b), all test reports must be received by IDEM, OAQ not later than forty-five (45) days after the completion of the testing. An extension may be granted by IDEM, OAQ, if the source submits to IDEM, OAQ, a reasonable written explanation not later than five (5) days prior to the end of the initial forty-five (45) day period.

Compliance Requirements [326 IAC 2-1.1-11]

C.7 Compliance Requirements [326 IAC 2-1.1-11]

The commissioner may require stack testing, monitoring, or reporting at any time to assure compliance with all applicable requirements by issuing an order under 326 IAC 2-1.1-11. Any monitoring or testing shall be performed in accordance with 326 IAC 3 or other methods approved by the commissioner or the U. S. EPA.

Compliance Monitoring Requirements [326 IAC 2-7-5(1)] [326 IAC 2-7-6(1)]

C.8 Compliance Monitoring [326 IAC 2-7-5(3)] [326 IAC 2-7-6(1)]

Unless otherwise specified in this permit, all monitoring and record keeping requirements not already legally required shall be implemented within ninety (90) days of permit issuance. If required by Section D, the Permittee shall be responsible for installing any necessary equipment and initiating any required monitoring related to that equipment. If due to circumstances beyond its control, that equipment cannot be installed and operated within ninety (90) days, the Permittee may extend the compliance schedule related to the equipment for an additional ninety (90) days provided the Permittee notifies:

Indiana Department of Environmental Management
Compliance Branch, Office of Air Quality
100 North Senate Avenue, P. O. Box 6015
Indianapolis, Indiana 46206-6015

in writing, prior to the end of the initial ninety (90) day compliance schedule, with full justification of the reasons for the inability to meet this date.

The notification which shall be submitted by the Permittee does require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

Unless otherwise specified in the approval for the new emission unit(s), compliance monitoring for new emission units or emission units added through a source modification shall be implemented when operation begins.

C.9 Maintenance of Continuous Emission Monitoring Equipment [326 IAC 2-7-5(3)(A)(iii)]

- (a) The Permittee shall install, calibrate, maintain, and operate all necessary continuous emission monitoring systems (CEMS) and related equipment. In addition, prompt corrective action shall be initiated whenever indicated.
- (b) In the event that a breakdown of a continuous emission monitoring system occurs, a record shall be made of the times and reasons of the breakdown and efforts made to

correct the problem.

- (c) Whenever a continuous emission monitor other than an opacity monitor is malfunctioning or is down for repairs, the following shall be used as an alternative to continuous data collection:
 - (1) If the CEM is required for monitoring NO_x or SO₂ emissions pursuant to 40 CFR 75 (Title IV Acid Rain program) or 326 IAC 10-4 (NO_x Budget Trading Program), the Permittee shall comply with the relevant requirements of 40 CFR 75 Subpart D - Missing Data Substitution Procedures.
 - (2) If the CEM is not used to monitor No_x or SO₂ emissions pursuant to 40 CFR 75 or 326 IAC10-4, then supplemental or intermittent monitoring of the parameter shall be implemented as specified in Section D of this permit until such time as the emission monitor system is back in operation.
- (d) Nothing in this permit, shall excuse the Permittee from complying with the requirements to operate a continuous emission monitoring system pursuant to 326 IAC 10-4, 40 CFR, Subpart Db and CP 127-5260 issued on May 14, 1996.

C.10 Monitoring Methods [326 IAC 3] [40 CFR 60] [40 CFR 63]

Any monitoring or testing required by Section D of this permit shall be performed according to the provisions of 326 IAC 3, 40 CFR 60 Appendix A, 40 CFR 60 Appendix B, 40 CFR 63, or other approved methods as specified in this permit.

C.11 Pressure Gauge and Other Instrument Specifications [326 IAC 2-1.1-11] [326 IAC 2-7-5(3)] [326 IAC 2-7-6(1)]

- (a) Whenever a condition in this permit requires the measurement of pressure drop across any part of the unit or its control device, the gauge employed shall have a scale such that the expected normal reading shall be no less than twenty percent (20%) of full scale and be accurate within plus or minus two percent (±2%) of full scale reading.
- (b) Whenever a condition in this permit requires the measurement of a temperature, flow rate, or pH level, the instrument employed shall have a scale such that the expected normal reading shall be no less than twenty percent (20%) of full scale and be accurate within plus or minus two percent (±2%) of full scale reading.
- (c) The Permittee may request the IDEM, OAQ approve the use of a pressure gauge or other instrument that does not meet the above specifications provided the Permittee can demonstrate an alternative pressure gauge or other instrument specification will adequately ensure compliance with permit conditions requiring the measurement of pressure drop or other parameters.

Corrective Actions and Response Steps [326 IAC 2-7-5] [326 IAC 2-7-6]

C.12 Emergency Reduction Plans [326 IAC 1-5-2] [326 IAC 1-5-3]

Pursuant to 326 IAC 1-5-2 (Emergency Reduction Plans; Submission):

- (a) The Permittee shall prepare written emergency reduction plans (ERPs) consistent with safe operating procedures.
- (b) These ERPs shall be submitted for approval to:

Indiana Department of Environmental Management
Compliance Branch, Office of Air Quality
100 North Senate Avenue, P.O. Box 6015
Indianapolis, Indiana 46206-6015
within ninety (90) days after the date of issuance of this permit.

The ERP does require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

- (c) If the ERP is disapproved by IDEM, OAQ, the Permittee shall have an additional thirty (30) days to resolve the difference and submit an approvable ERP.
- (d) These ERPs shall state those actions that will be taken, when each episode level is declared, to reduce or eliminate emissions of the appropriate air pollutants.
- (e) Said ERPs shall also identify the sources of air pollutants, the approximate amount of reduction of the pollutants, and a brief description of the manner in which the reduction will be achieved.
- (f) Upon direct notification by IDEM, OAQ, that a specific air pollution episode level is in effect, the Permittee shall immediately put into effect the actions stipulated in the approved ERP for the appropriate episode level. [326 IAC 1-5-3]

C.13 Risk Management Plan [326 IAC 2-7-5(12)] [40 CFR 68.215]

If a regulated substance, subject to 40 CFR 68, is present at a source in more than a threshold quantity, 40 CFR 68 is an applicable requirement and the Permittee shall submit:

- (a) A compliance schedule for meeting the requirements of 40 CFR 68; or
- (b) As part of the annual compliance certification submitted under 326 IAC 2-7-6(5), a certification statement that the Source is in compliance with all the requirements of 40 CFR 68, including the registration and submission of a Risk Management Plan (RMP); and
- (c) A verification to IDEM, OAQ that a RMP or a revised plan was prepared and submitted as required by 40 CFR 68.

All documents submitted pursuant to this condition shall include the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

C.14 Compliance Response Plan - Preparation, Implementation, Records, and Reports [326 IAC 2-7-5] [326 IAC 2-7-6]

- (a) The Permittee is required to prepare a Compliance Response Plan (CRP) for each compliance monitoring condition of this permit. A CRP shall be submitted to IDEM, OAQ upon request. The CRP shall be prepared within ninety (90) days after issuance of this permit by the Permittee, supplemented from time to time by the Permittee, maintained on site, and comprised of:
 - (1) Reasonable response steps that may be implemented in the event that a response step is needed pursuant to the requirements of Section D of this permit; and an expected time frame for taking reasonable response steps.
 - (2) If, at any time, the Permittee takes reasonable response steps that are not set

forth in the Permittee's current Compliance Response Plan and the Permittee documents such response in accordance with subsection (e) below, the Permittee shall amend its Compliance Response Plan to include such response steps taken.

- (b) For each compliance monitoring condition of this permit, reasonable response steps shall be taken when indicated by the provisions of that compliance monitoring condition as follows:
 - (1) Reasonable response steps shall be taken as set forth in the Permittee's current Compliance Response Plan; or
 - (2) If none of the reasonable response steps listed in the Compliance Response Plan is applicable or responsive to the excursion, the Permittee shall devise and implement additional response steps as expeditiously as practical. Taking such additional response steps shall not be considered a deviation from this permit so long as the Permittee documents such response steps in accordance with this condition.
 - (3) If the Permittee determines that additional response steps would necessitate that the emissions unit or control device be shut down, the IDEM, OAQ shall be promptly notified of the expected date of the shut down, the status of the applicable compliance monitoring parameter with respect to normal, and the results of the actions taken up to the time of notification.
 - (4) Failure to take reasonable response steps shall constitute a violation of the permit.
- (c) The Permittee is not required to take any further response steps for any of the following reasons:
 - (1) A false reading occurs due to the malfunction of the monitoring equipment and prompt action was taken to correct the monitoring equipment.
 - (2) The Permittee has determined that the compliance monitoring parameters established in the permit conditions are technically inappropriate, has previously submitted a request for a minor permit modification to the permit, and such request has not been denied.
 - (3) An automatic measurement was taken when the process was not operating.
 - (4) The process has already returned or is returning to operating within "normal" parameters and no response steps are required.
- (d) When implementing reasonable steps in response to a compliance monitoring condition, if the Permittee determines that an exceedance of an emission limitation has occurred, the Permittee shall report such deviations pursuant to Section B-Deviations from Permit Requirements and Conditions.
- (e) The Permittee shall record all instances when response steps are taken. In the event of an emergency, the provisions of 326 IAC 2-7-16 (Emergency Provisions) requiring prompt corrective action to mitigate emissions shall prevail.

- (f) Except as otherwise provided by a rule or provided specifically in Section D, all monitoring as required in Section D shall be performed when the emission unit is operating, except for time necessary to perform quality assurance and maintenance activities.

**C.15 Actions Related to Noncompliance Demonstrated by a Stack Test [326 IAC 2-7-5]
[326 IAC 2-7-6]**

- (a) When the results of a stack test performed in conformance with Section C - Performance Testing, of this permit exceed the level specified in any condition of this permit, the Permittee shall take appropriate response actions. The Permittee shall submit a description of these response actions to IDEM, OAQ, within thirty (30) days of receipt of the test results. The Permittee shall take appropriate action to minimize excess emissions from the affected facility while the response actions are being implemented.
- (b) A retest to demonstrate compliance shall be performed within one hundred twenty (120) days of receipt of the original test results. Should the Permittee demonstrate to IDEM, OAQ that retesting in one-hundred and twenty (120) days is not practicable, IDEM, OAQ may extend the retesting deadline.
- (c) IDEM, OAQ reserves the authority to take any actions allowed under law in response to noncompliant stack tests.

The documents submitted pursuant to this condition do require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

Record Keeping and Reporting Requirements [326 IAC 2-7-5(3)] [326 IAC 2-7-19]

C.16 Emission Statement [326 IAC 2-7-5(3)(C)(iii)][326 IAC 2-7-5(7)][326 IAC 2-7-19(c)][326 IAC 2-6]

- (a) The Permittee shall submit an annual emission statement certified pursuant to the requirements of 326 IAC 2-6, that must be received by April 15 of each year and must comply with the minimum requirements specified in 326 IAC 2-6-4. The annual emission statement shall meet the following requirements:
 - (1) Indicate estimated actual emissions of criteria pollutants from the source, in compliance with 326 IAC 2-6 (Emission Reporting);
 - (2) Indicate estimated actual emissions of other regulated pollutants (as defined by 326 IAC 2-7-1) from the source, for purposes of Part 70 fee assessment.
- (b) The annual emission statement covers the twelve (12) consecutive month time period starting December 1 and ending November 30. The annual emission statement must be submitted to:

Indiana Department of Environmental Management
Technical Support and Modeling Section, Office of Air Quality
100 North Senate Avenue, P. O. Box 6015
Indianapolis, Indiana 46206-6015

The emission statement does require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

- (c) The annual emission statement required by this permit shall be considered timely if the date postmarked on the envelope or certified mail receipt, or affixed by the shipper on the private shipping receipt, is on or before the date it is due. If the document is submitted by any other means, it shall be considered timely if received by IDEM, OAQ, on or before the date it is due.

C.17 General Record Keeping Requirements [326 IAC 2-7-5(3)] [326 IAC 2-7-6]

- (a) Records of all required data, reports and support information shall be retained for a period of at least five (5) years from the date of monitoring sample, measurement, report, or application. These records shall be kept at the source location for a minimum of three (3) years. The records may be stored elsewhere for the remaining two (2) years as long as they are available, within a reasonable time, upon request by the Commissioner. If the Commissioner makes a request for records to the Permittee, the Permittee shall furnish the records to the Commissioner within a reasonable time.
- (b) Unless otherwise specified in this permit, all record keeping requirements specified in this permit not already legally required shall be implemented within ninety (90) days of permit issuance.

C.18 General Reporting Requirements [326 IAC 2-7-5(3)(C)] [326 IAC 2-1.1-11]

- (a) The source shall submit the attached Quarterly Deviation and Compliance Monitoring Report or its equivalent. Any deviation from permit requirements, the date(s) of each deviation, the cause of the deviation, and the response steps taken must be reported. This report shall be submitted within thirty (30) days of the end of the reporting period. The Quarterly Deviation and Compliance Monitoring Report shall include the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).
- (b) The report required in (a) of this condition and reports required by conditions in Section D of this permit shall be submitted to:

Indiana Department of Environmental Management
Compliance Data Section, Office of Air Quality
100 North Senate Avenue, P. O. Box 6015
Indianapolis, Indiana 46206-6015
- (c) Unless otherwise specified in this permit, any notice, report, or other submission required by this permit shall be considered timely if the date postmarked on the envelope or certified mail receipt, or affixed by the shipper on the private shipping receipt, is on or before the date it is due. If the document is submitted by any other means, it shall be considered timely if received by IDEM, OAQ, on or before the date it is due.
- (d) Unless otherwise specified in this permit, all reports required in Section D of this permit shall be submitted within thirty (30) days of the end of the reporting period. All reports do require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).
- (e) The first report shall cover the period commencing on the date of issuance of this permit and ending on the last day of the reporting period. Reporting periods are based on calendar years, unless specified elsewhere in this permit.

Stratospheric Ozone Protection

C.19 Compliance with 40 CFR 82 and 326 IAC 22-1

Pursuant to 40 CFR 82 (Protection of Stratospheric Ozone), Subpart F, except as provided for

motor vehicle air conditioners in Subpart B, the Permittee shall comply with the standards for recycling and emissions reduction:

- (a) Persons opening appliances for maintenance, service, repair, or disposal must comply with the required practices pursuant to 40 CFR 82.156.
- (b) Equipment used during the maintenance, service, repair, or disposal of appliances must comply with the standards for recycling and recovery equipment pursuant to 40 CFR 82.158.
- (c) Persons performing maintenance, service, repair, or disposal of appliances must be certified by an approved technician certification program pursuant to 40 CFR 82.161.
- (d) Pursuant to 40 CFR 82, Subpart E (The Labeling of Products Using Ozone-Depleting Substances), all containers in which a Class I or Class II substance is stored or transported and all products containing a Class I substance shall be labeled as required under 40 CFR Part 82.

Part 2 MACT Application Submittal Requirement

C.20 Application Requirements for Section 112(j) of the Clean Air Act [40 CFR 63.52(e)] [40 CFR 63.56(a)] [40 CFR 63.9(b)] [326 IAC 2-7-12]

- (a) The Permittee shall submit a Part 2 MACT Application in accordance with 40 CFR 63.52(e)(1). The Part 2 MACT Application shall meet the requirements of 40 CFR 63.53(b).
- (b) Notwithstanding paragraph (a), the Permittee is not required to submit a Part 2 MACT Application if the Permittee no longer meets the applicability criteria of 40 CFR 63.50 by the application deadline in 40 CFR 63.52(e)(1). For example, the Permittee would not have to submit a Part 2 MACT Application if, by the application deadline:
 - (1) The source is no longer a major source of hazardous air pollutants, as defined in 40 CFR 63.2;
 - (2) The source no longer includes one or more units in an affected source category for which the U.S. EPA failed to promulgate an emission standard by May 15, 2002; or
 - (3) The MACT standard or standards for the affected source categories included at the source are promulgated.
- (c) Notwithstanding paragraph (a), pursuant to 40 CFR 63.56(a), the Permittee shall comply with an applicable promulgated MACT standard in accordance with the schedule provided in the MACT standard if the MACT standard is promulgated prior to the Part 2 MACT Application deadline or prior to the issuance of permit with a case-by-case Section 112(j) MACT determination. The MACT requirements include the applicable General Provisions requirements of 40 CFR 63, Subpart A. Pursuant to 40 CFR 63.9(b), the Permittee shall submit an initial notification not later than 120 days after the effective date of the MACT, unless the MACT specifies otherwise. The initial notification shall be submitted to:

Indiana Department of Environmental Management
Compliance Data Section, Office of Air Quality

Portside Energy
Portage, Indiana
Permit Reviewer: Laura M. Groom

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100 North Senate Avenue, P.O. Box 6015
Indianapolis, Indiana 46206-6015

and

United States Environmental Protection Agency, Region V
Director, Air and Radiation Division
77 West Jackson Boulevard
Chicago, Illinois 60604-3590

SECTION D.1

FACILITY OPERATION CONDITIONS

Facility Description [326 IAC 2-7-5(15)]: (The information describing the process contained in this facility description box is descriptive information and does not constitute enforceable conditions.)

One (1) natural gas fired dry low NOx combustion turbine in a combined cycle configuration, constructed in 1997, identified as CT-1, with a nominal design capacity of 498 mmBtu/hour at ISO conditions, and exhausting to stack CT-01.

Emission Limitations and Standards [326 IAC 2-7-5(1)][40 CFR 60, Subpart GG]

D.1.1 Particulate Emissions Limitations [326 IAC 6-2-4]

Pursuant to 326 IAC 6-2-4 (Particulate Emission Limitations for Sources of Indirect Heating: Emission limitations for facilities specified in 326 IAC 6-2-1(d)), the particulate matter emissions from the turbine shall not exceed 0.18 pounds per mmBtu. This limitation was calculated using the following equation:

$$Pt = \frac{1.09}{Q^{0.26}} = \text{pounds per mmBtu} \quad \text{Where } Q = \text{total source capacity (1,018 mmBtu/hr)}$$

D.1.2 Particulate Matter Limit [326 IAC 2-2][40 CFR 52.21]

Pursuant to CP-127-5260-00067, 326 IAC 2-2, 326 IAC 2-2-3 and 40 CFR 52.21 issued on May 14, 1996, this combustion turbine shall not exceed five (5) pounds of particulate matter per hour.

D.1.3 NOx Emissions Limit [326 IAC 2-3]

Pursuant to CP127-5260-00067, issued on May 14, 1996, 326 IAC 2-2, 326 IAC 2-3 and 40 CFR 52.21, this combustion turbine shall not emit NOx emissions greater than thirty (30) pounds per hour.

D.1.4 CO Emissions Limit

Pursuant to CP127-5260, issued on May 14, 1996 the turbine shall not exceed 5,110 hours per calendar year operating in the Power Augmentation mode with CO emissions not exceeding forty (40) pounds per hour. The CO emissions generated under normal operation during the remaining hours shall not exceed twelve (12) pounds per hour for the remaining hours.

D.1.5 Best Available Control Technology [326 IAC 2-2-3][40 CFR 52.21]

Pursuant to 326 IAC 2-2-3 (PSD, Best Available Control Technology), 40 CFR 52.21 and CP-127-5260-00067, issued on May 14, 1996, the combustion turbine shall not exceed any of the following limits:

Shall comply with BACT by use of combustion control techniques, proper maintenance and CO emissions not exceeding: 10 ppmvd CO @ 15% oxygen during non-power augmentation and 40 ppmvd CO @ 15% oxygen during power augmentation.

D.1.6 General Provisions Relating to NSPS [326 IAC 12-1][40 CFR 60, Subpart GG]

The provisions of 40 CFR 60, Supart A - General Provisions, which are incorporated by reference in 326 IAC 12-1, apply to the facility described in this section except when otherwise specified in 40 CFR 60, Subpart GG (Standards of Performance for Stationary Gas Turbines).

D.1.7 New Source Performance Standard [326 IAC 12-1][40 CFR 60.333, Subpart GG]

- (a) Pursuant to 40 CFR 60.333(a)&(b) the Permittee shall limit sulfur dioxide emissions, as required by 40 CFR 60.333, to 0.015 percent by volume at 15 percent oxygen on a dry basis, or use natural gas fuel with a sulfur content less than or equal to 0.8 percent by weight.
- (b) Pursuant to CP 127-5260-00067 the turbine sulfur dioxide emissions shall comply with 40 CFR 60.333 requirements by using pipeline supplied natural gas.

D.1.8 Preventive Maintenance Plan [326 IAC 2-7-5(13)]

A Preventive Maintenance Plan, in accordance with Section B - Preventive Maintenance Plan, of this permit, is required for this facility and its control devices.

Compliance Determination Requirements

D.1.9 Nitrogen Oxides Monitoring Requirement [326 IAC 10-4-4(b)(1)] [326 IAC 10-4-12(b) and (c)] [40 CFR 75]

The Permittee shall meet the monitoring requirements of 326 IAC 10-4-12(b)(1) through (b)(3) that are applicable to their monitoring system for the NOx budget units on or before May 1, 2003. The Permittee shall record, report, and quality assure the data from the monitoring systems on and after May 1, 2003 in accordance with 326 IAC 10-4-12 and 40 CFR 75.

Compliance Monitoring Requirements [326 IAC 2-7-6(1)][326 IAC 12][40 CFR 60, Subpart GG]

D.1.10 Sulfur Content and Nitrogen Content [326 IAC 12][40 CFR 60.334(b)(1)&(2), Subpart GG]

Pursuant to CP127-5260-00067 and 40 CFR 60.334(b)(1)&(2), Subpart GG, the Permittee shall monitor the nitrogen and sulfur content of the fuel being fired in the combustion turbine. The frequency of determination of these values shall be as follows:

- (a) If the turbine is supplied its fuel from a bulk storage tank, the values shall be determined on each occasion that fuel is transferred to the storage tank from any other source.
- (b) If turbine is supplied its fuel without intermediate bulk storage the values shall be determined and recorded daily. Owners, operators or fuel vendors may develop custom schedules for determination of the values based on the design and operation of the affected facility and the characteristics of the fuel supply. These custom schedules shall be substantiated with data and must be approved by the Administrator before they can be used to comply with the monitoring requirements.

The sulfur content information obtained from this monitoring shall be used to document compliance with the limits stated in Condition D.1.7.

Record Keeping and Reporting Requirements [326 IAC 2-7-5(3)][326 IAC 2-7-19][40 CFR 60, Subpart GG]

D.1.11 Record Keeping Requirements

- (a) To document compliance with Conditions D.1.2, D.1.3, D.1.4, D.1.5, D.1.7, D.1.9 and D.1.10 the Permittee shall maintain records in accordance with (1) through (3) below. Records maintained for (2) shall be taken according to Condition D.1.10 and shall be complete and sufficient to establish compliance with the sulfur content limits established in Condition D.1.7.
 - (1) Data and results from the most recent stack test;

- (2) All fuel nitrogen content and sulfur content monitoring data;
- (3) Hours of operation.
- (b) All records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

D.1.12 Nitrogen Oxides Budget Permit Application Submittal Requirement [326 IAC 10-4-4(a)(1)]

For NO_x budget unit that commenced operation prior to January 1, 2001, the NO_x authorized account representative shall submit a complete NO_x budget permit application in accordance with 326 IAC 10-4-7 at least two hundred seventy (270) days prior to May 31, 2004. This application shall be submitted by the NO_x authorized account representative to:

Indiana Department of Environmental Management
Permits Branch, Office of Air Quality
100 North Senate Avenue, P.O. Box 6015
Indianapolis, Indiana 46206-6015

D.1.13 Reporting Requirements

A quarterly summary of the information to document compliance with Condition D.1.4 and reports of any excess emissions pursuant to 40 CFR 60.334(c) shall be submitted to the addresses listed in Section C - General Reporting Requirements, of this permit, using the reporting forms located at the end of this permit, or their equivalent, within thirty (30) days after the end of the quarter being reported. The report submitted by the Permittee does require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

SECTION D.2

FACILITY OPERATION CONDITIONS

Facility Description [326 IAC 2-7-5(15)] (The information describing the process contained in this facility description box is descriptive information and does not constitute enforceable conditions.)

Two (2) natural gas fired auxiliary boilers, constructed in 1997, with a nominal design capacity of 260 mmBtu/hr for each boiler, using low-NOx burners and flue gas recirculation as NOx inhibitors, and exhausting to two (2) stacks of ninety (90) feet each. Propane will be used for testing or as the backup fuel source. The exhaust from the combustion turbine and auxiliary boilers will produce a nominal design of 500,000 pounds of steam per hour and 63 megawatts of electricity.

Emission Limitations and Standards [326 IAC 2-7-5(1)][40 CFR 60, Subpart Db]

D.2.2 Particulate Matter (PM) [326 IAC 6-2-4]

Pursuant to 326 IAC 6-2-4, (Particulate Matter Limitations), particulate matter emissions from each of the boilers shall not exceed 0.18 pounds per mmBtu.

The pounds per hour limitation was calculated with the following equation:

$$Pt = \frac{1.09}{Q^{0.26}} = \text{pounds per mmBtu} \quad \text{Where } Q = \text{total source capacity } 1,018 \text{ mmBtu/hr}$$

D.2.2 Best Available Control Technology [326 IAC 2-2-3][40 CFR 52.21]

Pursuant to 326 IAC 2-2-3 (Best Available Control Technology), 40 CFR 52.21 and CP-127-5260-00067, issued on May 14, 1996, the exhaust from the boilers shall not exceed any of the following limits:

- (a) Particulate matter emissions from the boilers shall be limited by the combustion of natural gas and shall not exceed 0.005 pounds per mmBtu with propane as an emergency fuel when the natural gas is interrupted or curtailed and maintenance of good combustion control. Verification of the operational readiness of the emergency fuel supply system shall be made using propane during periodic testing of the propane emergency fuel supply system. However, the particulate matter emissions shall not exceed 0.005 pounds per mmBtu during periodic testing.
- (b) Carbon monoxide emissions from the boilers shall comply by use of combustion control techniques, proper maintenance, and emissions not exceeding 0.074 pounds per mmBtu.

D.2.3 NOx Limit [326 IAC 2-3]

Pursuant to CP127-5260-00067, issued on May 14, 1996, 326 IAC 2-2, 326 IAC 2-3 and NSPS 40 CFR 60.44(b) the emissions of nitrogen oxides, expressed as nitrogen dioxide (NO₂), from the natural gas-fired boilers shall not exceed 0.036 pounds per mmBtu for natural gas and 0.061 pounds per mmBtu for propane. Therefore, compliance with 326 IAC 12 and 40 CFR 60.44b shall be achieved.

D.2.4 General Provisions Relating to NSPS [326 IAC 12-1][40 CFR Part 60, Subpart A]

The provisions of 40 CFR 60, Subpart A - General Provisions, which are incorporated by reference in 326 IAC 12-1, apply to the facility described in this section except when otherwise specified in 40 CFR 60, Subpart Db.

D.2.5 New Source Performance Standard [326 IAC 12-1][40 CFR Part 60, Subpart Db]

- (a) Pursuant to CP 127-5260-00067, issued on May 14, 1996 and 40 CFR 60.42b, sulfur dioxide (SO₂) emissions from the boilers shall be achieved by the combustion of only natural gas with propane as a backup.
- (b) Pursuant to CP 127-5260-00067 issued on May 14, 1996 due to the fact that propane may produce higher nitrogen dioxide emissions, the amount of propane fired in the boilers shall be limited to emergency use and testing of the emergency fuel supply system, with amount fired recorded and reported.
- (c) Pursuant to 40 CFR 60.44b, nitrogen oxides from the boilers shall not exceed 0.10 lb/mmBtu for low heat release rate; 0.20 lb/mmBtu for high heat release rate.

D.2.6 Preventive Maintenance Plan [326 IAC 2-7-5(13)]

A Preventive Maintenance Plan, in accordance with Section B - Preventive Maintenance Plan, of this permit, is required for this facility and its control device.

Compliance Determination Requirements

D.2.7 NSPS Compliance Provisions [40 CFR 60, Subpart Db]

- (a) The nitrogen oxides emissions standards under 40 CFR 60.44b apply at all times.
- (b) Compliance with the NO_x emission limitation shall be determined by the methods and procedures in 40 CFR 60.46b(e)3.
- (c) The continuous monitoring system shall be operated and data recorded during all periods of operation except for continuous monitoring system breakdowns and repairs. Data is recorded during calibration checks, and zero and span adjustments. [40 CFR 60.48b]

D.2.8 Nitrogen Oxides Monitoring Requirement [326 IAC 10-4-4(b)(1)] [326 IAC 10-4-12(b) and (c)] [40 CFR 75]

The Permittee shall meet the monitoring requirements of 326 IAC 10-4-12(b)(1) through (b)(3) that are applicable to their monitoring systems for the NO_x budget units on or before May 1, 2003. The Permittee shall record, report, and quality assure the data from the monitoring systems on and after May 1, 2003 in accordance with 326 IAC 10-4-12 and 40 CFR 75.

Compliance Monitoring Requirements [326 IAC 2-7-6(1)][326 IAC 2-7-5(1)][40 CFR 60, Subpart Db]

D.2.9 Continuous Emissions Monitoring [326 IAC 3-5][326 IAC 12][40 CFR 60, Subpart Db]

Pursuant to CP 127-5260, issued on May 14, 1996, 40 CFR 60.48b (b)(1), the Permittee shall install, calibrate, maintain, and operate a continuous monitoring system for measuring nitrogen oxides emissions discharged to the atmosphere.

Pursuant to CP 127-5260, issued on May 14, 1996 and 40 CFR 60.48b(NSPS Subpart Db), when nitrogen oxides emission data are not obtained because of continuous monitoring system breakdowns, repairs, calibration checks and zero span adjustments, emission data will be obtained as follows:

Standby monitoring systems, Method 7, Method 7A or other approved reference methods to provide emission data for a minimum of 75% of the operating hours in each steam generating unit operating day, in at least 22 out of 30 successive steam generating unit operating days.

Record Keeping and Reporting Requirement [326 IAC 2-7-5(3)][326 IAC 2-7-19][40 CFR 60, Subpart Db]

D.2.10 Record Keeping Requirements

- (a) To document compliance with Condition D.2.5(b), the Permittee shall maintain records and submit reports of the amount of propane fired in accordance with 40 CFR 60.49b.
- (b) In accordance with 40 CFR 60.49b(g), the Permittee shall maintain the following records for each steam generating unit operating day:
 - (1) Calendar date.
 - (2) The average hourly nitrogen oxides emission rates (expressed as NO₂) (ng/J or lb/million Btu heat input) measured or predicted.
 - (3) The 30-day average nitrogen oxides emission rates (ng/J or lb/million Btu heat input) calculated at the end of each steam generating unit operating day from the measured or predicted hourly nitrogen oxide emission rates for the preceding 30 steam generating unit operating days.
 - (4) Identification of the steam generating unit operating days when the calculated 30-day average nitrogen oxides emission rates are in excess of the nitrogen oxides emissions standards under § 60.44(b), with the reasons for such excess emissions as well as a description of corrective actions taken.
 - (5) Identification of the steam generating unit operating days for which pollutant data have not been obtained, including reasons for not obtaining sufficient data and a description of corrective actions taken.
 - (6) Identification of the times when emission data have been excluded from the calculation of average emission rates and the reasons for excluding data.
 - (7) Identification of "F" factor used for calculations, method of determination, and type of fuel combusted.
 - (8) Identification of the times when the pollutant concentration exceeded full span of the continuous monitoring system.
 - (9) Description of any modifications to the continuous monitoring system that could affect the ability of the continuous monitoring system to comply with Performance Specification 2 or 3.
 - (10) Results of daily CEMS drift tests and quarterly accuracy assessments as required under Appendix F, Procedure 1.
- (c) All records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

D.2.11 Nitrogen Oxides Budget Permit Application Submittal Requirement [326 IAC 10-4-4(a)(1)]

For NO_x budget units that commenced operation prior to January 1, 2001, the NO_x authorized account representative shall submit a complete NO_x budget permit application in accordance with 326 IAC 10-4-7 at least two hundred seventy (270) days prior to May 31, 2004. This application shall be submitted by the NO_x authorized account representative to:

Indiana Department of Environmental Management
Permits Branch, Office of Air Quality
100 North Senate Avenue, P.O. Box 6015
Indianapolis, Indiana 46206-6015

D.2.12 Reporting Requirements

- (a) A summary of the information to document compliance with Condition D.2.7 shall be submitted to the address listed in Section C - General Reporting Requirements. The summary shall be completed in accordance with the requirements of 40 CFR 60.49b(g), which are listed in condition D.2.10(b).

- (b) To document compliance with Condition D.2.5, reports of propane usage shall be submitted to the address listed in Section C - General Reporting Requirements, and shall contain the information required in 40 CFR 60.49b. The report submitted by the Permittee does require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).
- (c) The natural gas boiler certification shall be submitted to the address listed in Section C - General Reporting Requirements, of this permit, using the reporting form located at the end of this permit, or the equivalent, within thirty (30) days after the end of the six (6) month period being reported. The natural gas boiler certification does require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

SECTION D.3

FACILITY OPERATION CONDITIONS

Facility Description [326 IAC 2-7-5(15)] Insignificant Activities: (The information describing the process contained in this facility description box is descriptive information and does not constitute enforceable conditions.)

Degreasing operations that do not exceed 145 gallons per 12 months.

Emission Limitations and Standards [326 IAC 2-7-5(1)]

D.3.1 (Volatile Organic Compounds (VOC)) 326 IAC 8-3-2 & 326 IAC 8-3-5(a)(b)

Pursuant to 326 IAC 8-3-2 and 8-3-5(a) (Cold Cleaner Operations) the owner or operator of a cold cleaner degreaser without remote solvent reservoirs constructed after July 1, 1990, shall ensure that the following requirements are met:

- (1) Equip the degreaser with a cover. The cover must be designed so that it can be easily operated with one (1) hand if:
 - (A) The solvent volatility is greater than two (2) kiloPascals (fifteen (15) millimeters of mercury or three-tenths (0.3) pounds per square inch) measured at thirty-eight degrees Celsius (38EC) (one hundred degrees Fahrenheit (100EF));
 - (B) The solvent is agitated; or
 - (C) The solvent is heated.
- (2) Equip the degreaser with a facility for draining cleaned articles. If the solvent volatility is greater than four and three-tenths (4.3) kiloPascals (thirty-two (32) millimeters of mercury or six-tenths (0.6) pounds per square inch) measured at thirty-eight degrees Celsius (38EC) (one hundred degrees Fahrenheit (100EF)), then the drainage facility must be internal such that articles are enclosed under the cover while draining. The drainage facility may be external for applications where an internal type cannot fit into the cleaning system.
- (3) Provide a permanent, conspicuous label which lists the operating requirements outlined in subsection (b).
- (4) The solvent spray, if used, must be a solid, fluid stream and shall be applied at a pressure which does not cause excessive splashing.
- (5) Equip the degreaser with a facility for draining cleaned articles. If the solvent volatility is greater than four and three-tenths (4.3) kiloPascals (thirty-two (32) millimeters of mercury or six-tenths (0.6) pounds per square inch) measured at thirty-eight degrees Celsius (38EC) (one hundred degrees Fahrenheit (100EF)), or if the solvent is heated to a temperature greater than forty-eight and nine-tenths degrees Celsius (48.9EC) (one hundred twenty degrees Fahrenheit (120EF));
 - (A) A freeboard that attains a freeboard ratio of seventy-five hundredths (0.75) or greater.
 - (B) A water cover when solvent is used is insoluble in, and heavier than, water.
 - (C) Other systems of demonstrated equivalent control such as a refrigerated chiller of carbon adsorption. Such systems shall be submitted to U.S. EPA as a SIP revision.

Pursuant to 326 IAC 8-3-2 and 326 IAC 8-3-5(b) (Cold Cleaner Degreaser Operation and Control), the owner or operator of a cold cleaning facility construction of which commenced after July 1, 1990, shall ensure that the following operating requirements are met:

- (1) Close the cover whenever articles are not being handled in the degreaser.
- (2) Drain cleaned articles for at least fifteen (15) seconds or until dripping ceases.
- (3) Store waste solvent only in covered containers and prohibit the disposal or transfer of waste solvent in any manner in which greater than twenty percent (20%) of the waste solvent by weight could evaporate.

**INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR QUALITY
COMPLIANCE DATA SECTION**

**PART 70 OPERATING PERMIT
CERTIFICATION**

Source Name: Portside Energy Corporation
Source Address: 6290 US Highway 12, Portage, Indiana 46368
Mailing Address: 8407 Virginia Street, Merrillville, Indiana 46410
Part 70 Permit No.: T127-10138-00067

This certification shall be included when submitting monitoring, testing reports/results or other documents as required by this permit.

Please check what document is being certified:

9 Annual Compliance Certification Letter

9 Test Result (specify) _____

9 Report (specify) _____

9 Notification (specify) _____

9 Affidavit (specify) _____

9 Other (specify) _____

I certify that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate, and complete.

Signature:

Printed Name:

Title/Position:

Telephone:

Date:

**INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR QUALITY
COMPLIANCE BRANCH
100 North Senate Avenue
P.O. Box 6015
Indianapolis, Indiana 46206-6015
Phone: 317-233-5674
Fax: 317-233-5967**

**PART 70 OPERATING PERMIT
EMERGENCY OCCURRENCE REPORT**

Source Name: Portside Energy Corporation
Source Address: 6290 US Highway 12, Portage, Indiana 46368
Mailing Address: 8407 Virginia Street, Merrillville, Indiana 46410
Part 70 Permit No.: T127-10138-00067

This form consists of 2 pages

Page 1 of 2

- | |
|---|
| <p>9 This is an emergency as defined in 326 IAC 2-7-1(12)</p> <ul style="list-style-type: none">C The Permittee must notify the Office of Air Quality (OAQ), within four (4) business hours (1-800-451-6027 or 317-233-5674, ask for Compliance Section); andC The Permittee must submit notice in writing or by facsimile within two working (2) days (Facsimile Number: 317-233-5967), and follow the other requirements of 326 IAC 2-7-16. |
|---|

If any of the following are not applicable, mark N/A

Facility/Equipment/Operation:
Control Equipment:
Permit Condition or Operation Limitation in Permit:
Description of the Emergency:
Describe the cause of the Emergency:

If any of the following are not applicable, mark N/A

Page 2 of 2

Date/Time Emergency started:
Date/Time Emergency was corrected:
Was the facility being properly operated at the time of the emergency? Y N Describe:
Type of Pollutants Emitted: TSP, PM-10, SO ₂ , VOC, NO _x , CO, Pb, other:
Estimated amount of pollutant(s) emitted during emergency:
Describe the steps taken to mitigate the problem:
Describe the corrective actions/response steps taken:
Describe the measures taken to minimize emissions:
If applicable, describe the reasons why continued operation of the facilities are necessary to prevent imminent injury to persons, severe damage to equipment, substantial loss of capital investment, or loss of product or raw materials of substantial economic value:

Form Completed by: _____

Title / Position: _____

Date: _____

Telephone: _____

A certification is not required for this report.

**INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR QUALITY
COMPLIANCE DATA SECTION**

Part 70 Quarterly Report

Source Name: Portside Energy Corporation
Source Address: 6290 US Highway 12, Portage, Indiana 46368
Mailing Address: 8407 Virginia Street, Merrillville, Indiana 46410
Part 70 Permit No.: T127-10138-00067
Facility: Natural Gas Fired Auxiliary Boilers
Pollutant: NOx
Limit: Propane will double NOx emissions per MMBtu fired compared to natural gas. Due to offset requirements propane use shall be reported.

YEAR: _____

Month	Propane Burned (gallons/month)
Month 1	
Month 2	
Month 3	

Submitted by: _____

Title / Position: _____

Signature: _____

Date: _____

Telephone: _____

Attach a signed certification to complete this report.

**INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR QUALITY
COMPLIANCE DATA SECTION**

Part 70 Quarterly Report

Source Name: Portside Energy Corporation
Source Address: 6290 US Highway 12, Portage, Indiana 46368
Mailing Address: 8407 Virginia Street, Merrillville, Indiana 46410
Part 70 Permit No.: T127-10138-00067
Facility: Combustion Turbine
Limit: Shall not exceed 5,110 hours per calendar year operating in the Power Augmentation mode with CO emissions not exceeding forty (40) pounds per hour. The CO emissions generated during the remaining hours shall not exceed twelve (12) pounds per hour for the remaining hours.

YEAR: _____

Month	Hours	Month	Hours
January		July	
February		August	
March		September	
April		October	
May		November	
June		December	

Calendar Year Total _____

Submitted by: _____

Title / Position: _____

Signature: _____

Date: _____

Attach a signed certification to complete this report.

**INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR QUALITY
COMPLIANCE DATA SECTION**

**PART 70 OPERATING PERMIT
QUARTERLY DEVIATION AND COMPLIANCE MONITORING REPORT**

Source Name: Portside Energy Corporation
Source Address: 6290 US Highway 12, Portage, Indiana 46368
Mailing Address: 8407 Virginia Street, Merrillville, Indiana 46410
Part 70 Permit No.: T127-10138-00067

Months: _____ **to** _____ **Year:** _____

Page 1 of 2

This report shall be submitted quarterly based on a calendar year. Any deviation from the requirements, the date(s) of each deviation, the probable cause of the deviation, and the response steps taken must be reported. Deviations that are required to be reported by an applicable requirement shall be reported according to the schedule stated in the applicable requirement and do not need to be included in this report. Additional pages may be attached if necessary. If no deviations occurred, please specify in the box marked "No deviations occurred this reporting period".

9 NO DEVIATIONS OCCURRED THIS REPORTING PERIOD.

9 THE FOLLOWING DEVIATIONS OCCURRED THIS REPORTING PERIOD

Permit Requirement (specify permit condition #)

Date of Deviation:

Duration of Deviation:

Number of Deviations:

Probable Cause of Deviation:

Response Steps Taken:

Permit Requirement (specify permit condition #)

Date of Deviation:

Duration of Deviation:

Number of Deviations:

Probable Cause of Deviation:

Response Steps Taken:

Permit Requirement (specify permit condition #)	
Date of Deviation:	Duration of Deviation:
Number of Deviations:	
Probable Cause of Deviation:	
Response Steps Taken:	

Permit Requirement (specify permit condition #)	
Date of Deviation:	Duration of Deviation:
Number of Deviations:	
Probable Cause of Deviation:	
Response Steps Taken:	

Permit Requirement (specify permit condition #)	
Date of Deviation:	Duration of Deviation:
Number of Deviations:	
Probable Cause of Deviation:	
Response Steps Taken:	

Form Completed By: _____

Title/Position: _____

Date: _____

Telephone: _____

Attach a signed certification to complete this report.

**INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR QUALITY
COMPLIANCE DATA SECTION**

**PART 70 OPERATING PERMIT
SEMI-ANNUAL NATURAL GAS FIRED BOILER CERTIFICATION**

Source Name: Portside Energy Corporation
Source Address: 6290 US Highway 12, Portage, Indiana 46368
Mailing Address: 8407 Virginia Street, Merrillville, Indiana 46410
Part 70 Permit No.: T127-10138-00067

9	Natural Gas Only
9	Alternate Fuel burned
From:_____	To:_____

I certify that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate, and complete.

Signature:

Printed Name:

Title/Position:

Phone:

Date:

A certification by the responsible official as defined by 326 IAC 2-7-1(34) is required for this report.

Indiana Department of Environmental Management Office of Air Quality

Addendum to the Technical Support Document for a Part 70 Operating Permit

Source Background and Description

Source Name: Portside Energy
Source Location: 6290 US Highway 12, Portage, Indiana 46368
County: Porter
SIC Code: 4911
Operation Permit No.: T127-10138-00067
Permit Reviewer: Laura M. Groom

On November 25, 2002, the Office of Air Quality (OAQ) published a notice in the Vidette Times, Portage, Indiana, stating that Portside Energy applied for a Part 70 Operating Permit to operate an electric generating station. The notice also stated that OAQ proposed to issue a permit for this operation and provided information how the public could review the proposed permit and other documentation. Finally, the notice informed interested parties that there was a period of thirty (30) days to provide comments on whether or not this Source Modification should be issued as proposed.

On December 20th, 2002 Arthur Smith, Sr. Vice President & Environmental Counsel submitted comments on the proposed Title V. The summary of the comments is as follows:

Comment #1: Source Summary

Please strike the Gary Department of Environmental Affairs. Portside is in Portage, IN and does not fall under Gary Department of Environmental Affairs authority.

This permit is based on information requested by the Indiana Department of Environmental Management (IDEM), Office of Air Quality (OAQ) ~~Gary Department of Environmental Affairs.~~

Response #1:

The following change has been made to page 5 of the permit.

SECTION A SOURCE SUMMARY

This permit is based on information requested by the Indiana Department of Environmental Management (IDEM), Office of Air Quality (OAQ) ~~Gary Department of Environmental Affairs.~~

Comment #2: Section A.1:

Under *Source Location Status* please strike *Attainment for all criteria pollutants*. This statement is inconsistent with the one that immediately follows.

Response #2:

The following change has been made to condition A.1.

Source Location Status: ~~Attainment for all criteria pollutants~~
Nonattainment for ozone
Attainment for all other criteria pollutants

Comment #3: Section A.2(2):

Please clarify that the propane will be used as a backup *fuel*.

*(2) Two (2) natural gas fired auxiliary boilers, ... Propane will be used as the backup **fuel source**.*

Response #3:

The following change has been made to condition A.2 and the description in Section D.2.

Two (2) natural gas fired auxiliary boilers, constructed in 1997, with a nominal design capacity of 260 mmBtu/hr for each boiler, using low-NOx burners and flue gas recirculation as NOx inhibitors, and exhausting to two (2) stacks of ninety (90) feet each. Propane will be used **for testing or as the backup fuel source**. The exhaust from the combustion turbine and auxiliary boilers will produce a nominal design of 500,000 pounds of steam per hour and 63 megawatts of electricity.

Comment #4: Section B.3:

Strike *IDEM* from this language to be consistent with the language in 326 IAC 2-7-7,

Unless otherwise stated, all terms and conditions in this permit, including any provisions designed to limit the source's potential to emit, are enforceable by ~~IDEM~~, the United States Environmental Protection Agency (U.S. EPA) and by citizens in accordance with the Clean Air Act.

Response #4:

The term "person", as defined by the Clean Air Act, Section 302(e) includes an individual, corporation, partnership, association, State, municipality, political subdivision of a state, and any agency, department, or instrumentality of the United States and any officer, agent, or employee thereof. Also, Section 304(b) of the Clean Air Act states, "any person may commence a civil action on his own behalf". Therefore, the IDEM has determined that legally the agency may be included in this condition.

Comment #5: Section B.4:

Please clarify that the termination of the right to operate only occurs if the source fails to submit a timely and complete renewal application at least nine months prior to the date of expiration of the source's existing permit AND IDEM fails to issue a renewed Part 70 permit for the source before the date of termination.

*The Permittee's right to operate this source terminates with the expiration of this permit unless a timely and complete renewal application is submitted at least nine (9) months prior to the date of the expiration of the source's existing permit **and IDEM fails to issue a renewed Part 70 permit for the source before the date of termination.***

Response #5:

There are other reasons than IDEM's failure to issue a renewed Part 70 permit that could cause termination of the right to operate. According to 326 IAC 2-7-10 a Source may continue to operate after the TV expiration date, if the Permittee has submitted a complete renewal application consistent with sections 3 and 4(a) of this rule. There will be no change made to the permit as a result of this comment.

Comment #6: Section B.10(c):

Delete the hanging "and" at the end of the list and add a period.

Response #6:

The following change has been made to condition B.10(c), to delete the hanging "and".

(c) The annual compliance certification report shall include the following:

- (1) The appropriate identification of each term or condition of this permit that is the basis of the certification;
- (2) The compliance status;
- (3) Whether compliance was continuous or intermittent; and
- (4) The methods used for determining the compliance status of the source, currently and over the reporting period consistent with 326 IAC 2-7-5(3);~~and~~.

Comment #7: Section B.15(b):

The language in the permit is not precise and implies that any excursion from a compliance monitoring parameter or failure to implement an element of a Preventive Maintenance Plan or Compliance Response Plan is a deviation, regardless of the impact on an emissions limitation. Events could be considered deviations even if an applicable rule or limit is not exceeded. As issued, this language deviates from model permit language and adds limits not found in the statute and vitiates the intent of the Title V program.

Response #7:

IDEM specifies in the D Section of the permit when an excursion from compliance monitoring would not be considered a deviation, but failure to take response steps would be considered a deviation. As Stated in condition B.11, Preventive Maintenance Plan, the Permittee shall implement the PMP's as necessary to ensure that failure to implement a PMP does not cause or contribute to a violation of any limitation on emissions or potential to emit; otherwise, it would be considered a deviation.

Comment #8: Section B.22(d):

For clarity, the phrase should be re-written to clarify that the sampling or monitoring must be authorized by the Clean Air Act (CAA). The following language follows 326 IAC 2-7-6(2)(D):

As authorized by the CAA, sSample or monitor substances or parameters for the purpose of assuring compliance with this permit or applicable requirements; and

Response #8:

The following change has been made to condition B.22(d), as requested by the Permittee to make the permit language consistent with the permit.

- (d) **As authorized by the CAA, sSample or monitor substances or parameters for the purpose of assuring compliance with this permit or applicable requirements; and**

Comment #9: Section B.22(e):

Strike Condition B.22(e). This language does not appear in 326 IAC 2-7 and is too broad to be accepted. For example, there are no compliance methods that use photographic equipment. This language has not been approved through the regulatory process and is not supported under 326 IAC 2-7. In addition, due to security concerns, Portside objects to the proliferation of photographs that could be used for unknown purposes.

Response #9:

Photographs are routinely taken to document conditions during an inspection, and are therefore authorized under 326 IAC 2-7-6(2)(C). The use of cameras or other recording, testing, or monitoring equipment for the purpose of assuring compliance with this permit, if necessary, is a reasonable extension of this documentation. This subsection acknowledges the right of the source to claim such information is confidential. There has been no change to this condition.

Comment #10: Section B.23(b):

For clarity, we recommend the condition be reworded as follows:

*Any ~~application requesting~~ **request for** a change in the ownership or operational control ...*

Response #10:

The following changes have been made for clarification:

- (b) Any ~~application requesting~~ **written request for** a change in the ownership or operational control of the source shall contain a written agreement containing a specific date for transfer of permit responsibility, coverage and liability between the current and new Permittee. The ~~application~~ **written request** shall be submitted to:

Indiana Department of Environmental Management
Permits Branch, Office of Air Quality
100 North Senate Avenue, P.O. Box 6015
Indianapolis, Indiana 46206-6015

The ~~application~~ **written request** which shall be submitted by the Permittee does require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

- (c) The Permittee may implement administrative amendment changes addressed in the request for an administrative amendment immediately upon submittal of the **written** request. [326 IAC 2-7-11(c)(3)]

Comment #11: Section B.24(b):

Language stating that failure to pay may result in revocation of this permit should be deleted as IDEM does not have the regulatory authority to revoke a permit on these grounds. We recommend IDEM revise the language as listed below to reflect this fact.

Except as provided in 326 IAC 2-7-19(e), failure to pay may result in administrative enforcement action ~~or revocation of this permit.~~

Response #11:

The language found in this condition is taken from 326 IAC 2-1.1-7(7). No changes have been made as a result of this comment.

Comment #12: Section C.1:

Section C.1 is not applicable. The combustion turbine and boilers are both subject to New Source Performance Standards. Please strike.

Response #12:

Condition C.1, Particulate Emission Limitations for Process Weight Rates Less than One Hundred (100) pounds per hour, has been deleted as shown below. This is because the combustion turbine and boilers are not considered process operations. All of the conditions in Section C have been renumbered accordingly.

~~C.1 — Particulate Emission Limitations For Processes with Process Weight Rates Less Than One Hundred (100) pounds per hour [40 CFR 52 Subpart P] [326 IAC 6-3-2]~~

- ~~(a) Pursuant to 40 CFR 52 Subpart P, the allowable particulate matter emissions rate from any process not already regulated by 326 IAC 6-1 or any New Source Performance Standard, and which has a maximum process weight rate less than 100 pounds per hour shall not exceed 0.551 pounds per hour.~~
- ~~(b) Pursuant to 326 IAC 6-3-2(e)(2), the allowable particulate emissions rate from any process not exempt under 326 IAC 6-3-1(b) or (c) which has a maximum process weight rate less than 100 pounds per hour and the methods in 326 IAC 6-3-2(b) through (d) do not apply shall not exceed 0.551 pounds per hour. This condition is not federally enforceable.~~

Comment #13: Section C.5:

In the second line, change “that would violate” to “that violates”. Only actual violations, not potential violations, are enforceable. The language reflective of this change is listed below:

... or easement on which the source is located, in a manner that ~~would violate~~ 326 IAC 6-4...

Response #13:

Condition C.4, Fugitive Dust Emissions has been changed as shown below in response to the above comment.

C.4 Fugitive Dust Emissions [326 IAC 6-4]

The Permittee shall not allow fugitive dust to escape beyond the property line or boundaries of the property, right-of-way, or easement on which the source is located, in a manner that ~~would~~ violates 326 IAC 6-4 (Fugitive Dust Emissions). 326 IAC 6-4-2(4) is not federally enforceable.

Comment #14: Section C.7(c): (Now re-numbered C.6(c))

We believe the intent of the rule is to not have interim or draft emission test reports submitted that would potentially confuse IDEM regarding the true test results, but the final QA/QCed report submitted within the specified time period. Therefore, we recommend modifying the language to convey this intent as listed below:

...all final QA/QCed test reports must be received...

Response #14:

Pursuant to 326 IAC 3-6-4(a)(1), all emission tests for which a protocol was submitted pursuant to section 2 of this rule shall be reported to the department in the form of an emission test report containing the reported testing methods and results certified as true and accurate and in compliance with this rule by the person responsible for conducting the emissions test. Because the rule states, “the reported testing methods and results certified as true and accurate”, the IDEM determined that it is implied that the Permittee would QA/QC the results. Therefore, there has been no change made to the permit as a result of this comment.

Comment #15: Section C.8: Now re-numbered C.7

For clarity we recommend inserting “of this permit” between “requirements” and “by” in the second line of this section. The revised language is as follows:

...compliance with all applicable requirements of this permit by issuing an...

Response #15:

The IDEM has determined that it is not necessary to add the phrase requested. Because all applicable requirements are required to be included in the permit, it is not necessary to add the phrase. Therefore, there has been no change to the permit in response to the above comment.

Comment #16: Section C.10(a): Now re-numbered C.9(a)

The last sentence of this section should be deleted as it is not supported by regulatory authority.

... and related equipment. ~~In addition, prompt corrective action shall be initiated whenever indicated.~~

Response #16:

The IDEM, OAQ has determined that this portion of the condition does fall under the authority granted by 326 IAC 2-7-5(3)(A)(iii) which states that IDEM, OAQ may require conditions for monitoring equipment. There will be no change to the permit as a result of this comment.

Comment #17: Section C.10(c): Now re-numbered C.9(c)

Section C.10(c)(2) and Section D.2.9 conflict with one another with respect to the four hour downtime requirement. The only CEM requirement other than for the NO_x Budget Trading Program is the NSPS Subpart Db for the auxiliary boilers. This NSPS has very specific downtime monitoring procedures as written into D.2.9 of the draft permit. Strike the *four hours or more* from C.10(c)(2)

...NO_x Budget Trading Program, ~~and is down for a period of four (4) hours or more~~, then supplemental...

Response #17:

The following changes have been made to condition C.9(c)(2) to avoid conflicting with condition D.2.9.

- (1) If the CEM is required for monitoring NO_x **or** SO₂ emissions pursuant to 40 CFR 75 (Title IV Acid Rain program) or 326 IAC 10-4 (NO_x Budget Trading Program), the Permittee shall comply with the relevant requirements of 40 CFR 75 Subpart D - Missing Data Substitution Procedures.
- (2) If the CEM is not used to monitor NO_x or SO₂ emissions ~~from a unit subject to requirements of pursuant to 40 CFR Part 75 (Title IV Acid Rain program) or 326 IAC 10-4 the NO_x Budget Trading Program, and is down for a period of four (4) hours or more~~, then supplemental or intermittent monitoring of the parameter shall be implemented as specified in Section D of this permit until such time as the emission monitor system is back in operation.

Comment #18: Section C.11:

The absence of the word “applicable” in this permit condition makes the provision potentially overbroad and unintelligible. The following language clarifies the intent:

*Any monitoring or testing required by Section D of the permit shall be performed **utilizing any applicable procedures and analysis methods specified in** ~~according to the provisions of~~ 326 IAC 3, 40 CFR 60, Appendix A, 40 CFR 60 Appendix B, 40 CFR 63 or other approved methods as specified in the permit.*

Response #18:

The current language which reads, “according to the provisions of ...” means the same thing as the alternate language suggested. Therefore, there has been no change to the permit as a result of this comment.

Comment #19: Section C.14: Now re-numbered C.13

A Risk Management Plan is not required for this facility. C.14 is not applicable, and specifically C.14(b) is misleading indicating that a Risk Management Plan is needed. Please strike C.14 in its entirety, or, at a minimum, strike C.14(b).

Response #19:

The following changes have been made to condition C.13, Risk Management Plan. These changes were made to make the language more concise for Portside's situation, where an RMP is not currently required. However, IDEM has determined that this condition should be kept in the permit. This is because in the future should the Permittee have a regulated substance, subject to 40 CFR 68, present in more than a threshold quantity, the RMP would be required.

Additionally, these changes were made to make the language more consistent with the requirements of 326 IAC 2-7-5(12).

C.13 Risk Management Plan [326 IAC 2-7-5(12)] [40 CFR 68.215]

(a) If a regulated substance, subject to 40 CFR 68, is present at a source in more than a threshold quantity, 40 CFR 68 is an applicable requirement **and the Permittee shall submit:**

- (b)(a) ~~The Permittee shall verify that a Risk Management Plan or a revised plan was prepared as required by 40 CFR 68 and submitted to IDEM, OAQ. A compliance schedule for meeting the requirements of 40 CFR 68; or~~
- (b) **As a part of the annual compliance certification submitted under 326 IAC 2-7-6(5), a certification statement that the Source is in compliance with all the requirements of 40 CFR 68, including the registration and submission of a Risk Management Plan (RMP); and**
- (c) **A verification to IDEM, OAQ that a RMP or a revised plan was prepared and submitted as required by 40 CFR 68.**

All documents submitted pursuant to this condition shall include the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

Comment #20: Section C.15 and related conditions:

IDEM does not have regulatory authority to require Compliance Response Plans. Strike this condition and any reference to Compliance Response Plans in the permit.

IDEM does not have regulatory authority to define "a failure to take reasonable response steps" [e.g., see C.15(b)(4)] as a permit violation. In addition this type of violation makes no sense in the context that no real violation of an existing limit has occurred. IDEM has created a regulatory requirement without following administrative procedure.

Response #20:

IDEM has worked with members of the Clean Air Act Advisory Council's Permit Committee, Indiana Manufacturing Association, Indiana Chamber of Commerce and individual applicants regarding the Preventive Maintenance Plan, the Compliance Monitoring Plan and the Compliance Response Plan. The plans are fully supported by rules promulgated by the Air Pollution Control Board. The plans are the

mechanism each permittee will use to verify continuous compliance with its permit and the applicable rules and will form the basis for each permittee's Annual Compliance Certification. Each permittee's ability to verify continuous compliance with its air pollution control requirements is a central goal of the Title V and FESOP permit programs.

The regulatory authority for and the essential elements of a compliance monitoring plan were clarified in IDEM's Compliance Monitoring Guidance, in May 1996. IDEM originally placed all the preventive maintenance requirements in the permit section titled "Preventive Maintenance Plan." Under that section the permittee's Preventive Maintenance Plan (PMP) had to set out requirements for the inspection and maintenance of equipment both on a routine basis and in response to monitoring. Routine maintenance was a set schedule of inspections and maintenance of the equipment. The second was inspection and maintenance in response to monitoring that showed that the equipment was not operating in its normal range. This monitoring would indicate that maintenance was required to prevent the exceedance of an emission limit or other permit requirement.

The maintenance plan was to set out the "corrective actions" that the permittee would take in the event an inspection indicated an "out of specification situation", and also set out the time frame for taking the corrective action. In addition, the PMP had to include a schedule for devising additional corrective actions for out of compliance situations that the source had not predicted in the PMP. All these plans, actions and schedules were part of the Preventive Maintenance Plan, with the purpose of maintaining the permittee's equipment so that an exceedance of an emission limit or violation of other permit requirements could be prevented.

After issuing the first draft Title V permits on public notice in July of 1997, IDEM received comments from members of the regulated community regarding many of the draft permit terms, including the PMP requirements. One suggestion was that the corrective action and related schedule requirements be removed from the PMP requirement and placed into some other requirement in the permit. This suggestion was based, in some part, on the desire that a permittee's maintenance staff handle the routine maintenance of the equipment, and a permittee's environmental compliance and engineering staff handle the compliance monitoring and steps taken in reaction to an indication that the facility required maintenance to prevent an environmental problem.

IDEM carefully considered this suggestion and agreed to separate the "corrective actions" and related schedule requirements from the PMP. These requirements were placed into a separate requirement, which IDEM named the Compliance Response Plan (CRP). In response to another comment, IDEM changed the name of the "corrective actions" to "response steps." That is how the present CRP requirements became separated from the PMP requirement, and acquired their distinctive nomenclature.

The Compliance Monitoring Plan is made up of the PMP, the CRP, the compliance monitoring and compliance determination requirements in section D of the permit, and the record keeping and reporting requirements in sections C and D. IDEM decided to list all these requirements under this new name, the Compliance Monitoring Plan (CMP), to distinguish them from the PMP requirements. The section D provisions set out which facilities must comply with the CMP requirement. The authority for the CMP provisions is found at 326 IAC 2-7-5(1), 2-7-5(3), 2-7-5(13), 2-7-6(1), 1-6-3 and 1-6-5.

Comment #21: Section C.16: Now re-numbered C.15

Subsections (a) and (b) should be clarified to reflect the intent of the rule to have results submitted and actions triggered based on final QA/QCed results of the most current round of emission testing. As

currently worded, it would appear IDEM is requiring non-QA/QCed results which could lead to erroneous conclusions by IDEM and the general public. We recommend the following revisions:

(a) When the results...actions. The Permittee shall submit a description of these response actions to IDEM, OAQ, within thirty (30) days of receipt of the final QA/QCed test results of the most current round of emission tests.

(b) A retest to demonstrate compliance shall be performed within one hundred twenty (120) days of receipt of the final QA/QCed original test results.

Response #21:

Please see the response to comment #14.

Comment #22: Section C.17(a): Now re-numbered C.16(a)

The language of this subsection requiring receipt by April 15 conflicts with subsection (c), which defines actions that result in timely submittal. To correct this, we recommend the following language change:

The Permittee shall submit an annual emission statement certified pursuant to the requirements of 326 IAC 2-6, that ~~must be received~~ must be timely submitted by April 15 ...

Response #22:

The language in C.16(a) that reads, “must be received” is the wording taken from 326 IAC 2-6-3. However, in C.16(c) the IDEM is giving the Permittee the flexibility of postmarking the emission statement by April 15th. There has been no change to condition C.17 in response to comment #22.

Comment #23: Section C.17(a)(2): Now re-numbered C.16(a)(2)

Reword C.17(a)(2) to reflect the regulatory authority to require estimated actual emissions of other regulated pollutants (as defined by 326 IAC 2-7-1) from the source ONLY for purposes of determining Part 70 fee assessments.

(2) Indicate estimated actual emissions of other regulated pollutants (as defined by 326 IAC 2-7-1) from the source, to be required for and used for purposes of Part 70 fee assessment.

Response #23:

The language in 326 IAC 2-6 and 326 IAC 2-7-1 does not limit the use of estimated actual emissions to only Part 70 fee assessment. Therefore there will be no change made to the permit in response to the above comment.

Comment #24: Section C.18(a): Now re-numbered C.17(a)

The third sentence of this subsection should have “within a reasonable time” inserted between “available” and “upon request.” Also, “by the Commissioner” should be added after “upon request”.

The records may be stored elsewhere for the remaining two (2) years as long as they are available, within a reasonable time, upon request by the Commissioner.

Response #24:

The following changes have been made to the General Record Keeping Requirements Condition in response to the above comment.

- (a) Records of all required data, reports and support information shall be retained for a period of at least five (5) years from the date of monitoring sample, measurement, report, or application. These records shall be kept at the source location for a minimum of three (3) years. The records may be stored elsewhere for the remaining two (2) years as long as they are available, **within a reasonable time**, upon request **by the Commissioner**. If the Commissioner makes a request for records to the Permittee, the Permittee shall furnish the records to the Commissioner within a reasonable time.

Comment #25: Section C.18(b): Now re-numbered C.17(b)

This section is overbroad and should be changed to reflect the requirements of this permit:

*Unless otherwise specified in this permit, all record keeping requirements **specified in this permit** not already legally required shall be implemented within ninety (90) days of permit issuance.*

Response #25:

The following changes have been made to condition C.17(b), General Record Keeping Requirements, as requested by the Permittee.

C.17 General Record Keeping Requirements [326 IAC 2-7-5(3)] [326 IAC 2-7-6]

- (a) Records of all required data, reports and support information shall be retained for a period of at least five (5) years from the date of monitoring sample, measurement, report, or application. These records shall be kept at the source location for a minimum of three (3) years. The records may be stored elsewhere for the remaining two (2) years as long as they are available, within a reasonable time, upon request by the Commissioner. If the Commissioner makes a request for records to the Permittee, the Permittee shall furnish the records to the Commissioner within a reasonable time.
- (b) Unless otherwise specified in this permit, all record keeping requirements **specified in this permit** not already legally required shall be implemented within ninety (90) days of permit issuance.

Comment #26: Section C.19(e): Now re-numbered C.18(e)

The language of the last sentence of the condition referencing the calendar year conflicts with the language of Section C.17(b) which specifies a December 1 to November 30 period. We recommend IDEM make the following language change:

*...Reporting periods are based on calendar years-**unless specified elsewhere in this permit.***

Response #26:

The IDEM will make the changes shown below in response to this comment.

- (e) The first report shall cover the period commencing on the date of issuance of this permit and ending on the last day of the reporting period. Reporting periods are based on calendar years, **unless specified elsewhere in this permit.**

Comment #27: Section C.21: Now re-numbered C.20

Sections C.21(b) and C.21(c) should be modified to reflect the opportunity to have later compliance dates that could result from court orders, settlement agreements or other schedule changes:

- (b) *Notwithstanding paragraph (a), the permittee ...*
(3) *The MACT standard or standards for the affected source categories included at the source are promulgated **or relief is provided by a court order, settlement agreement or other schedule change.***
- (c) *Notwithstanding paragraph (a), pursuant...Pursuant to 40 CFR 63.9(b), the Permittee shall submit an initial notification not later than 120 days after the effective date of the MACT, unless the MACT specifies otherwise **or relief is provided by a court order, settlement agreement or other schedule change.***

Response #27:

IDEM, OAQ has determined that no change is necessary to the language. U.S. EPA must change the rules implementing Section 112(j) at 40 CFR 63.50 through 63.56 in order to change the due date of the Part 2 MACT Application or no longer require a Part 2 MACT Application. The permit requires that the applications be submitted in accordance with the rule. The Title V permit can only include applicable requirements. The U.S. EPA will have to change the applicable requirement in order to provide relief. IDEM, OAQ does not feel that is appropriate to include the suggested language to Condition C.20(b)(3) because it is not an accurate depiction of what must happen to change the due date of the Part 2 MACT Application.

Note that on December 9, 2002, the U.S. EPA proposed changes to the Section 112(j) rules to change the Part 2 deadlines. Therefore, when the rules are finalized and effective, the applicable requirement will be changed, and the new deadline will be provided in the rule.

In addition, IDEM, OAQ does not think it is relevant to include the suggested phrase in Condition C.20(c). The MACT standard will specify if the initial notification is due on a different timeline than the General Provisions requirements in 40 CFR 63 Subpart A. Since the point of this condition is that the MACT standard has not yet been promulgated, it is premature and irrelevant to include a phrase about a court order or settlement providing relief from the initial notification requirements.

Comment #28: Section D.1.1:

Please add that compliance with this condition will be determined by fuel type. Combustion of natural gas shall demonstrate compliance with this condition.

*Pursuant to... Where Q = total source capacity (1,018 mmBtu/hr). **Compliance with this condition will be demonstrated by the combustion of natural gas fuel only.***

Response #28:

The IDEM generally uses the Compliance Determination section of the TV permit to include this type of a requirement. Also, there are other ways, such as a stack test, that could be used to determine compliance rather than limiting to the combustion of natural gas fuel only. Therefore, it is not appropriate to add the language being requested by the Source.

Comment #29: Section D.1.2:

Please clarify, based on the information submitted in development of CP-127-5260-00067,

Pursuant to CP-127-5260-00067, 326 IAC 2-2, 326 IAC 2-2-3 and 40 CFR 52.21 issued on May 14, 1996, this combustion turbine shall not exceed five (5) pounds of filterable particulate matter per hour. ~~This limit is required to limit the potential to emit of particulate matter to less than 25 tons per year.~~

The limit is not needed for the purpose indicated, that is, to limit the potential to emit to 25 tons per year. This limit is not substantiated in CP-127-5260-00067. The particulate matter for the facility (combustion turbine and auxiliary boilers) was greater than 25 tons per year (see TSD CP-127-5260 page 3 of 5).

Response #29:

Pursuant to CP127-5260-00067, issued on May 14, 1996, the “particulate emissions” of the combustion turbine shall not exceed five (5) pounds of particulate matter per hour. The CP did not differentiate between “filterable” and “condensable” particulate. The method of testing to determine compliance will be Method 5 testing. This type of testing is for “filterable” particulate only.

The following change was made to the condition as requested by the Permittee because this sentence was not in CP 127-5260-00067.

D.1.2 Particulate Matter Limit [326 IAC 2-2][40 CFR 52.21]

Pursuant to CP-127-5260-00067, 326 IAC 2-2, 326 IAC 2-2-3 and 40 CFR 52.21 issued on May 14, 1996, this combustion turbine shall not exceed five (5) pounds of particulate matter per hour. ~~This limit is required to limit the potential to emit of particulate matter to less than 25 tons per year.~~

Comment #30: Section D.1.3

The NO_x limit established in this condition is based on permitting requirements in terms of tons per calendar year. The short-term limit was never intended to apply during start-up and shutdown. It was designed to monitor normal operation. Correspondingly, the limit should be based on tons per calendar year, and pounds per hour under normal operation. Note that this still complies with the requirements in 326 IAC 2-3, which requires a limit on the tons per year of NO_x. The 30 lbs/hr limit should be included to assure hourly compliance under normal operation.

Pursuant to CP127-5260-00067, issued on May 14, 1996, 326 IAC 2-2, 326 IAC 2-3 and 40 CFR 52.21, this combustion turbine shall not emit NO_x emissions greater than thirty (30) pounds per hour under normal operation and 131.4 tons per calendar year.

Response #30:

The Construction Permit did not include an exclusion from the NOx limit for start-up and shutdown. Therefore, the IDEM can not give one in the Title V Permit. The Permittee may send in a request for a permit revision. This request should include the limits that are being proposed for start-up and shutdown. This type of change may need to be reviewed under PSD/NSR. There have been no changes to the permit as a result of this comment.

Comment #31: Section D.1.4

The CO limit in this condition is based on permitting requirements in terms of tons per calendar year. The short-term limit was never intended to apply during start-up and shutdown. It was designed to monitor normal operation. Correspondingly, the limit should be based on tons per calendar year, and pounds per hour under normal operation. Note that this still complies with the requirements in 326 IAC 2-2, which requires a limit on the tons per year of CO. The short term limits of 40 lbs/hr and 12 lbs/hr should be included to assure hourly compliance under normal operation.

Pursuant to CP127-5260, issued on May 14, 1996 the turbine shall not exceed 5,110 hours per calendar year operating in the Power Augmentation mode, ~~with~~ CO emissions shall not exceed forty (40) pounds per hour under normal operation and 124.1 tons per calendar year total and shall not exceed 102.2 tons per calendar year in power augmentation mode. The CO emissions generated under normal operation during the remaining hours shall not exceed twelve (12) pounds per hour for the remaining hours.

Response #31:

The Construction Permit did not include an exclusion from the CO limit for start-up and shutdown. Therefore, the IDEM can not give one in the Title V Permit. The Permittee may send in a request for a permit revision. This request should include the limits that are being proposed for start-up and shutdown. This type of change may need to be reviewed under PSD/NSR. There have been no changes to the permit as a result of this comment.

Comment #32: Section D.1.5:

The BACT determination for this facility was done by IDEM for normal operation and not startup and shutdown:

Shall comply with BACT by use of combustion control techniques, proper maintenance and CO emissions not exceeding:... These limits do not apply during start-up and shut-down.

Response #32:

The Permittee is expected to practice reasonable and good combustion techniques, even during start-up and shut-down. Therefore the IDEM has decided not to add the requested language in comment #32.

Comment #33: Section D.1.7(b):

Per the construction permit, combustion of natural gas was deemed to demonstrate compliance with the sulfur dioxide emission limit contained in 40 CFR 60.333. Therefore, we recommend the language be changed to reflect this as follows:

Pursuant to CP 127-5260-00067 the combustion turbine sulfur dioxide emissions shall ~~comply with~~ be deemed in compliance with the requirements of 40 CFR 60.333 ~~requirements by using~~ ~~combusting~~ pipeline supplied natural gas.

Response #33:

The language for this condition was taken directly from CP127-5260, issued on May 14th 1996. The IDEM has determined that a change in the language is not necessary. Compliance monitoring is also required to determine compliance with 40 CFR 60.333, therefore it is inappropriate to state that the turbine would be deemed in compliance by simply combusting pipeline supplied natural gas.

Comment #34: Section D.1.8:

Clarify that a preventive maintenance plan is required for pollution control devices,

A Preventive Maintenance Plan, in accordance with Section B – Preventive Maintenance Plan, of this permit is required for ~~this facility and its~~ air pollution control devices if present.

Response #34:

The Preventive Maintenance Plan requirement must be included in every applicable Title V permit pursuant to 326 IAC 2-7-5(13). This rule refers back to the Preventive Maintenance Plan requirement found in 326 IAC 1-6-3. This Preventive Maintenance Plan rule sets out the requirements for:

- (1) Identification of the individuals responsible for inspecting, maintaining and repairing the emission control equipment (326 IAC 1-6-3(a)(1)),
- (2) The description of the items or conditions in the facility that will be inspected and the inspection schedule for said items or conditions (326 IAC 1-6-3(a)(2)), and
- (3) The identification and quantification of the replacement parts for the facility which the Permittee will maintain in inventory for quick replacement (326 IAC 1-6-3(a)(2)).

Pursuant to 326 IAC 1-6-1 (Applicability), 326 IAC 1-6-3 applies to the owner or operator of any facility required to obtain a permit under 326 IAC 2-1-2 and 326 IAC 2-1-4. Therefore, it is clear from the structure of 326 IAC 1-6-3 that the PMP requirement affects the entirety of the applicable facilities. Only 326 IAC 1-6-3(a)(1) is limited, in that it requires identification of the personnel in charge of only the emission control equipment, and not any other facility equipment. In additional support of this position, 326 IAC 1-6-5 provides that the commissioner may require changes in the maintenance plan to reduce excessive malfunctions in any control device or combustion or process equipment. Therefore, it is also clear from the structure of 326 IAC 1-6-5 that the PMP requirement affects the emission unit as well as the control device.

There have been no changes to the permit as a result of this comment.

Comment #35: Section D.1.9:

This section should refer to the ozone control period only. Please add to the following,

The Permittee shall meet...the Permittee shall record, report, and quality assure the data from the monitoring systems obtained during the ozone control period on and after May 1, 2003 in accordance with 326 IAC 10-4-12 and 40 CFR 75.

Response #35:

IDEM, OAQ has decided not to make a change to the language. 326 IAC 10-4-4 and 10-4-12 do not explicitly state that the Permittee shall record, report, and quality assure the data from the monitoring systems "obtained during the ozone control period season". IDEM, OAQ prefers to use the rule language. While 326 IAC 10-4-4(b)(2) and (c)(1)(A) may imply that the record keeping, reporting, and quality assurance are only needed during the ozone season, the statement might not be correct in all cases. The requirements for continuous emissions monitors (CEMs) at 326 IAC 10-4-12 and 40 CFR 75 allow choices to be made by a Permittee with units that aren't subject to an acid rain emissions limitation. For example 10-4-12(o)(4) allows an option where a Permittee with a unit not subject to an acid rain emissions limitation can choose to meet the annual reporting requirements. In this case, the inserted phrase would be an incorrect statement and would cause the permit to contradict the rule. In addition, there may also be different certification issues and quality issues involved with CEMs if they aren't used all the time versus if they are used all the time. 40 CFR 75 contains different options regarding these CEMs issues, so IDEM, OAQ does not think it is appropriate to include the inserted phrase because it could cause the permit to contradict the rule requirements of 40 CFR 75. IDEM, OAQ thinks that it is more appropriate to say "...in accordance with 326 IAC 10-4-12 and 40 CFR 75." The permit will not contradict the rule, and the Permittee will be free to choose the appropriate options for their compliance strategy.

Comment #36: Section D.1.10:

The requirement for the use of pipeline quality natural gas under Condition 14 of CP-127-5260 assures that the sulfur content of the fuel is significantly below 0.8 percent by weight. In addition U.S. EPA has recognized that nitrogen monitoring is not required under Subpart GG. Please strike D.1.10.

There are two Condition (a)'s in the permit. Change the second Condition (a) to (b).

Response #36:

The Permittee has not received written approval from EPA, Region 5, for alternate monitoring. The IDEM is aware that the Permittee sent a letter November 20th, 2002 requesting alternate monitoring. However, until EPA has approved this there will be no change in the method of monitoring. The following change has been made in response to the above comment.

D.1.10 Sulfur Content and Nitrogen Content [326 IAC 12][40 CFR 60.334(b)(1)&(2), Subpart GG]

Pursuant to CP127-5260-00067 and 40 CFR 60.334(b)(1)&(2), Subpart GG, the Permittee shall monitor the nitrogen and sulfur content of the fuel being fired in the combustion turbine. The frequency of determination of these values shall be as follows:

- (a) If the turbine is supplied its fuel from a bulk storage tank, the values shall be determined on each occasion that fuel is transferred to the storage tank from any other source.

- (a)(b) If turbine is supplied its fuel without intermediate bulk storage the values shall be determined and recorded daily. Owners, operators or fuel vendors may develop custom schedules for determination of the values based on the design and operation of the affected facility and the characteristics of the fuel supply. These custom schedules shall be substantiated with data and must be approved by the Administrator before they can be used to comply with the monitoring requirements.

Comment #37: Section D.1.11:

Per above discussion, strike reference to D.1.10.

Response #37:

Please see the response to comment #36.

Comment #38: Section D.2.1:

Please note that compliance with this particulate matter emission limitation is presumed when combusting natural gas or propane, the fuels that the unit can combust. Combustion of natural gas shall demonstrate compliance with this condition.

Pursuant to ... Where Q = total source capacity 1,018 mmBtu/hr. Compliance with this condition will be demonstrated by certification of the combustion of natural gas or propane only.

Response #38:

Please see the response to Comment #28.

Comment #39: Section D.2.2:

Please clarify, based on the information submitted in development of CP-127-5260-00067,

(a) Filterable ~~P~~particulate matter emissions from the boilers shall be limited by the combustion of natural gas and shall not exceed ...

Response #39:

The CP did not differentiate between “filterable” and “condensable” particulate. The method of testing to determine compliance will be Method 5 testing. This type of testing is for “filterable” only.

Comment #40: Section D.2.5(b):

The language of this section does not allow for testing of the propane emergency fuel supply system and is in direct conflict with the provision allowing periodic testing of the emergency fuel system contained in Section 2.2(a). The language of D.2.5(b) must be revised to allow for the periodic testing of the emergency fuel supply system. The following language is recommended:

Pursuant to CP 127-5260-00067 issued on May 14, 1996 due to the fact that propane ~~shall~~ may produce higher nitrogen dioxide emissions, the amount of propane fired in the boilers shall be limited

to emergency use and testing of the emergency fuel supply system, with the amount of propane fired recorded and reported.

Response #40:

The language in the public notice version of the permit was taken directly from the CP. However, the comment is valid and true. Therefore, the following change will be made to the permit.

Pursuant to CP 127-5260-00067 issued on May 14, 1996 due to the fact that propane ~~shall~~ **may** produce higher nitrogen dioxide emissions, the amount of propane fired in the boilers shall be limited to emergency use and testing of the emergency fuel supply system, with amount fired recorded and reported.

Comment #41: Section D.2.6:

Clarify that a preventive maintenance plan is required for pollution control devices,

A Preventive Maintenance Plan, in accordance with Section B – Preventive Maintenance Plan, of this permit is required for ~~this facility and its~~ air pollution control devices.

Response #41:

The Preventive Maintenance Plan requirement must be included in every applicable Title V permit pursuant to 326 IAC 2-7-5(13). This rule refers back to the Preventive Maintenance Plan requirement found in 326 IAC 1-6-3. This Preventive Maintenance Plan rule sets out the requirements for:

- (4) Identification of the individuals responsible for inspecting, maintaining and repairing the emission control equipment (326 IAC 1-6-3(a)(1)),
- (5) The description of the items or conditions in the facility that will be inspected and the inspection schedule for said items or conditions (326 IAC 1-6-3(a)(2)), and
- (6) The identification and quantification of the replacement parts for the facility which the Permittee will maintain in inventory for quick replacement (326 IAC 1-6-3(a)(2)).

Pursuant to 326 IAC 1-6-1 (Applicability), 326 IAC 1-6-3 applies to the owner or operator of any facility required to obtain a permit under 326 IAC 2-1-2 and 326 IAC 2-1-4. Therefore, it is clear from the structure of 326 IAC 1-6-3 that the PMP requirement affects the entirety of the applicable facilities. Only 326 IAC 1-6-3(a)(1) is limited, in that it requires identification of the personnel in charge of only the emission control equipment, and not any other facility equipment. In additional support of this position, 326 IAC 1-6-5 provides that the commissioner may require changes in the maintenance plan to reduce excessive malfunctions in any control device or combustion or process equipment. Therefore, it is also clear from the structure of 326 IAC 1-6-5 that the PMP requirement affects the emission unit as well as the control device.

There have been no changes to the permit as a result of this comment.

Comment #42: Section D.2.8:

This section should refer to the ozone control period only. Please add to the following,

The Permittee shall record, report, and quality assure the data from the monitoring systems obtained during the ozone control period season on and after May 1, 2003 in accordance with 326 IAC 10-4-12 and 40 CFR 75.

Response #42:

IDEM, OAQ has decided not to make a change to the language. 326 IAC 10-4-4 and 10-4-12 do not explicitly state that the Permittee shall record, report, and quality assure the data from the monitoring systems “obtained during the ozone control period season”. IDEM, OAQ prefers to use the rule language. While 326 IAC 10-4-4(b)(2) and (c)(1)(A) may imply that the record keeping, reporting, and quality assurance are only needed during the ozone season, the statement might not be correct in all cases. The requirements for continuous emissions monitors (CEMs) at 326 IAC 10-4-12 and 40 CFR 75 allow choices to be made by a Permittee with units that aren't subject to an acid rain emissions limitation. For example 10-4-12(o)(4) allows an option where a Permittee with a unit not subject to an acid rain emissions limitation can choose to meet the annual reporting requirements. In this case, the inserted phrase would be an incorrect statement and would cause the permit to contradict the rule. In addition, there may also be different certification issues and quality issues involved with CEMs if they aren't used all the time versus if they are used all the time. 40 CFR 75 contains different options regarding these CEMs issues, so IDEM, OAQ does not think it is appropriate to include the inserted phrase because it could cause the permit to contradict the rule requirements of 40 CFR 75. IDEM, OAQ thinks that it is more appropriate to say "...in accordance with 326 IAC 10-4-12 and 40 CFR 75." The permit will not contradict the rule, and the Permittee will be free to choose the appropriate options for their compliance strategy.

Comment #43: Section D.2.9:

This section is unclear in that it refers in the last sentence to “steam generating operating days.” The word “generating” should be deleted to conform to the NSPS language.

Response #43:

The word “generating” is included in the NSPS language, 40 CFR 60.48(b)(f). Additionally, the word “unit” after the word “generating” is included in the language. Therefore, the D.2.9 condition has been changed as shown below.

D.2.9 Continuous Emissions Monitoring [326 IAC 3-5][326 IAC 12][40 CFR 60, Subpart Db]

Pursuant to CP 127-5260, issued on May 14, 1996, 40 CFR 60.48b (b)(1), the Permittee shall install, calibrate, maintain, and operate a continuous monitoring system for measuring nitrogen oxides emissions discharged to the atmosphere.

Pursuant to CP 127-5260, issued on May 14, 1996 and 40 CFR 60.48b(f)(NSPS Subpart Db), when nitrogen oxides emission data are not obtained because of continuous monitoring system breakdowns, repairs, calibration checks and zero span adjustments, emission data will be obtained as follows:

Standby monitoring systems, Method 7, Method 7A or other approved reference methods to provide emission data for a minimum of 75% of the operating hours in each steam generating unit operating day, in at least 22 out of 30 successive steam generating **unit** operating days.

Comment #44: Section D.2.12:

This section is missing. Renumber D.2.13 to D.2.12.

Response #44:

The condition D.2.13, has been renumbered to D.2.12.

Comment #45: Section D.2.13:

It is unknown what the natural gas boiler certification required under Condition D.2.13(c) pertains to. In addition there are no 6 month reporting requirements or forms required in the permit. Please clarify or strike this section.

Response #45:

A Natural Gas Boiler Certification Form has been added to the permit to allow the Permittee to certify what type or types of fuel were burned.

Comment #46: Section D.3:

In the label for this section the reference to 40 CFR 60, Subpart Db is inappropriate and should be deleted.

Response #46:

The title for section D.3 has been changed as shown below. The reference to Subpart Db was included incorrectly.

Emission Limitations and Standards [326 IAC 2-7-5(1)]~~[40 CFR 60, Subpart Db]~~

Comment #47: Part 70 Operating Permit Emergency Occurrence Report:

Please change the mailing address as noted above to: 8407 Virginia Street, Merrillville, IN 46410.

The form is inconsistent with the rule that provides that notice is to be made within two working days. The form should be modified to correctly reflect the terms of the rule.

Response #47:

The Emergency Occurrence Report form now specifies two “working” days. The address during public notice was the same as the address requested above. Therefore, no change to the address in the permit was necessary.

Comment #48: Part 70 Quarterly Report (report for hours of operation in Power Augmentation mode):

This report appears to imply that the limit of the number of hours in Power Augmentation mode is a twelve-month rolling limit, when in reality it is a calendar year limit. Please change this form to reflect an annual report of total hours only.

Response #48:

The report has been changed to make it clear that the report requires a calendar year limit and not a twelve (12) months rolling total. This was achieved by creating a table which requires total hours for each of the twelve (12) months and a calendar year total.

Technical Support Document

The Office of Air Quality prefers that the Technical Support Document reflect the permit that was on public notice. Changes to the permit or technical support material that occur after the public notice are documented in this Addendum to the Technical Support Document. That accomplishes the desired result of ensuring that these types of concerns are documented and part of the record regarding this permit decision.

Comment #49: Technical Support Document:

The netting table found on page 5 of 12 of the Technical Support Document does not reflect the netting IDEM approved under CP-127-5260-00067. Please change the netting table to reflect the emissions approved under CP-127-5260-00067 and re-issue the document in its entirety so that the public or other agencies will not rely on incorrect data in the future.

Response #49:

The table on page 5 of 12 of the Technical Support Document is not a netting table, but instead is a "Potential to Emit After Issuance" table. The netting table included in CP-127-5260-00067 is still applicable. The table below has additional information included to provide clarification.

Potential to Emit After Issuance

The table below summarizes the potential to emit, reflecting all limits, of the significant emission units after controls. The control equipment is considered federally enforceable only after issuance of this Part 70 permit.

Process/facility	Potential to Emit (tons/year)						
	PM	PM-10	SO ₂	VOC	CO	NO _x	HAPs
Gas Turbine (CT01)	14.4 21.9*	14.4	6.2 ---	4.64 ---	179 124*	698 131*	---
Auxiliary Boiler (B1)	2.15 0.18 lb/ mmBtu**	8.65	0.7 ---	6.25 ---	95.65 84*	113.9 41*	2.2 ---
Auxiliary Boiler (B2)	2.15 0.18lb/ mmBtu**	8.65	0.7 ---	6.25 ---	95.65 84*	113.9 41*	2.2 ---
Total	18.7	31.7	7.6	17.4 16.9	370.3 292*	925.8 213*	4.4 ---

These totals were taken from the Potential to Emit Spreadsheets in Appendix A of the TSD.

* These limited potential to emit totals were derived using the limits included in the permit.

** These limits are from condition D.2.1 when firing natural gas. (Please note: Emissions have a lower limit when firing propane).

Comment #50: Appendix A:

Page 3 of 3 calculates emissions based on diesel fuel. The facility does not burn diesel fuel. Please strike this page.

Response #50:

The following shall serve as documentation for what the TSD should now read. The table on page 3 of 3 in Appendix A is labeled incorrectly. It should read "Gas Fuel" instead of "Diesel Fuel". Even though the label was incorrect, the emission factors and calculations were done correctly. They were done with the assumption that natural gas would be combusted.

Upon further review, IDEM has decided to make the following revisions to the permit.

- 1.) The following shall serve as documentation for what the TSD should now read. The Insignificant Activities should included the following:

(18) **Small propane heater with heat input rated at 2.24 mmbtu/hr used to evaporate propane.**

- 2.) The NSPS Compliance Provisions, Condition D.2.7 has been changed to add the entire rule language as requested by the Permittee. The changes are shown in bold below.

D.2.7 NSPS Compliance Provisions [40 CFR 60, Subpart Db]

- (a) The nitrogen oxides emissions standards under 40 CFR 60.44b apply at all times.
- (b) Compliance with the NO_x emission limitation shall be determined by the methods and procedures in 40 CFR 60.46(e)(3).
- (b) The continuous monitoring system shall be operated **and data recorded** during all periods of operation except for continuous monitoring system breakdowns and repairs. **Data is recorded during calibration checks, and zero and span adjustments.** [40 CFR 60.48b]
- 3.) The Particulate Matter (PM) condition has been revised to correct the rule and limit as shown below in Condition D.2.1. Since the two natural gas auxiliary boilers were constructed in 1997, 326 IAC 6-2-4 is the applicable requirement. Please note that although the TSD is not being changed this addendum reflects what it should have read.

~~D.2.1 Particulate Matter (PM) [326 IAC 6-2-2]~~

~~Pursuant to 326 IAC 6-2-2(a), particulate matter emissions from each of the boilers shall not exceed 0.28 pounds per mmBtu.~~

~~The pounds per hour limitation was calculated with the following equation:~~

$$\text{Pt} = \frac{0.87}{Q^{0.16}} = \text{pounds per mmBtu} \quad \text{Where } Q = \text{total source capacity } 1,018$$

D.2.1 Particulate Matter (PM) [326 IAC 6-2-4]

Pursuant to 326 IAC 6-2-4 (Particulate Matter Limitations), particulate matter emissions from each of the boilers shall not exceed 0.18 pounds per mmBtu.

The pounds per hour limitation was calculated with the following equation:

$$\text{Pt} = \frac{1.09}{Q^{0.26}} = \text{pounds per mmBtu} \quad \text{Where } Q = \text{total source capacity } 1018 \text{ mmBtu/hr}$$

Indiana Department of Environmental Management Office of Air Quality

Technical Support Document (TSD) for a Part 70 Operating Permit

Source Background and Description

Source Name: Portside Energy
Source Location: 6290 US Highway 12, Portage, Indiana, 46368
County: Porter
SIC Code: 4911
Operation Permit No.: T127-10138-00067
Permit Reviewer: Laura M. Groom

The Office of Air Quality (OAQ) has reviewed a Part 70 permit application from Portside Energy relating to the operation of stationary electric generating station.

Permitted Emission Units and Pollution Control Equipment

The source consists of the following permitted emission units and pollution control devices:

- (1) One (1) natural gas fired dry low NO_x combustion turbine in a combined cycle configuration, constructed in 1997, identified as CT-1, with a nominal design capacity of 498 mmBtu/hour at ISO conditions, and exhausting to stack CT-01.
- (2) Two (2) natural gas fired auxiliary boilers, constructed in 1997, with a nominal design capacity of 260 mmBtu/hr for each boiler, using low-NO_x burners and flue gas recirculation as NO_x inhibitors, and exhausting to two (2) stacks of ninety (90) feet each. Propane will be used as the backup. The exhaust from the combustion turbine and auxiliary boilers will produce a nominal design of 500,000 pounds of steam per hour and 63 megawatts of electricity.

Unpermitted Emission Units and Pollution Control Equipment

There are no unpermitted facilities operating at this source during this review process.

Insignificant Activities

The source also consists of the following insignificant activities, as defined in 326 IAC 2-7-1(21):

- (1) Natural gas-fired combustion sources with heat input equal to or less than ten million (10,000,000) Btu per hour.
- (2) Propane or liquified petroleum gas, or butane-fired combustion sources with heat input equal to or less than six million (6,000,000) Btu per hour.
- (3) Combustion source flame safety purging on startup.
- (4) Storage tanks with capacity less than or equal to 1,000 gallons and annual throughputs less than 12,000 gallons.

- (5) Vessels storing lubricating oils, hydraulic oils, machining oils, and machining fluids.
- (6) Application of oils, greases, lubricants or other nonvolatile materials applied as temporary protective coatings.
- (7) Degreasing operations that do not exceed 145 gallons per 12 months, except if subject to 326 IAC 20-6.
- (8) Cleaners and solvents characterized as follows:
 - A) having a vapor pressure equal to or less than 2 kPa; 15 mm Hg; or 0.3 psi measured at 38 degrees C (100°F) or;
 - B) having a vapor pressure equal to or less than 0.7 kPa; 5mm Hg; or 0.1 psi measured 20°C (68°F); the use of which for all cleaners and solvents combined does not exceed 145 gallons per 12 months.
- (9) Closed loop heating and cooling systems.
- (10) Heat exchanger cleaning and repair.
- (11) Process vessel degassing and cleaning to prepare for internal repairs.
- (12) Purging of gas lines and vessels that is related to routine maintenance and repair of buildings, structures, or vehicles at the source where air emissions from those activities would not be associated with any production process.
- (13) Equipment used to collect any material that might be released during a malfunction, process upset, or spill cleanup, including catch tanks, temporary liquid separators, tanks, and fluid handling equipment.
- (14) Blowdown for any of the following: sight glass; boiler; compressors; pumps; and cooling tower.
- (15) Purge double block and bleed valves.
- (16) Filter or coalescer media changeout.
- (17) A laboratory as defined in 326 IAC 2-7-1(21)(D).

Existing Approvals

The source has been operating under previous approvals including, but not limited to, the following:

- (1) CP 127-5260-00067, issued on May 14, 1996, issued under PSD provisions 326 IAC 2-2 and 40 CFR 52.21
- (2) A 127-7231, Amendment to CP 127-5260, issued on January 29, 1997.

All conditions from previous approvals were incorporated into this Part 70 permit except the following:

- (a) CP 127-5260-00067, issued on May 14, 1996

Condition #5: Condition that the new turbine and auxiliary boilers shall not be operated after initial start-up requirements are completed if the existing boiler house containing two natural gas-fired boilers and two No. 6 oil/natural gas-fired boilers with the capacity of 560,000 pounds of steam are not physically removed from service.

- (b) Reason not incorporated: The older equipment was removed.
CP 127-5260-00067, issued on May 14, 1996

Condition #12: This condition applies NSPS 40 CFR 60.332(a)(1), which requires the Permittee to burn only natural gas and nitrogen oxide emissions shall not exceed 15 ppm with less than 15% oxygen by volume at a peak load not to exceed 14.4 gigajoules per watt hour.

Reason not incorporated: The applicability of this rule in the construction permit was incorrect. The turbine does not meet the definition in 40 CFR 60.332(b) because it is not considered an "Electric Utility Stationary Gas Turbine", due to the fact it was not constructed for and does not supply more than one - third of its potential electric output capacity to any utility power distribution. The turbine does not meet the definition of 40 CFR 60.332(c) because its heat input at peak load is not within the given range. Also the turbine does not meet the definition of 40 CFR 60.332(d) because it does not have a manufacturer rated base load at ISO condition of 30 megawatts or less.

Therefore, the turbine is not subject to the requirement in 40 CFR 60.332(a)(1) which requires the burning of only natural gas and nitrogen oxide emissions not exceeding 15 ppm with less than 15% oxygen by volume at a peak load not to exceed 14.4 gigajoules per watt hour.

- (c) CP 127-5260-00067, issued on May 14, 1996

Condition #8(only a portion): This condition applies 40 CFR 60.48b, which requires the Permittee to use a continuous monitoring system for measuring opacity and nitrogen oxides emissions discharged into the atmosphere.

Reason not incorporated: The Permittee is not subject to the particulate matter standard pursuant to 40 CFR 60.43b. Therefore, the Permittee is not required to monitor opacity on the boilers.

Enforcement Issue

This Source has the following enforcement action pending:

- (1) The Source has had CEM violations on several occasions for both boilers in different quarters. The violations are for CEM downtime during the 3rd and 4th quarter of 2000 and the 2nd and 3rd quarter of 2001.

Recommendation

The staff recommends to the Commissioner that the Part 70 permit be approved. This recommendation is based on the following facts and conditions:
Unless otherwise stated, information used in this review was derived from the application and additional information submitted by the applicant.

An administratively complete Part 70 permit application for the purposes of this review was received on September 15, 1998.

Emission Calculations

See Appendix A of this document for detailed emissions calculations.

Potential To Emit

Pursuant to 326 IAC 2-1.1-1(16), Potential to Emit is defined as "the maximum capacity of a stationary source to emit any air pollutant under its physical and operational design. Any

physical or operational limitation on the capacity of a source to emit an air pollutant, including air pollution control equipment and restrictions on hours of operation or type or amount of material combusted, stored, or processed shall be treated as part of its design if the limitation is enforceable by the U. S. EPA.”

This table reflects the PTE before controls. Control equipment is not considered federally enforceable until it has been required in a federally enforceable permit.

Pollutant	Potential To Emit (tons/year)
PM	less than 100
PM-10	less than 100
SO ₂	less than 100
VOC	less than 25
CO	greater than 100
NO _x	greater than 100

Note: For the purpose of determining Title V applicability for particulates, PM-10, not PM, is the regulated pollutant in consideration.

HAP's	Potential To Emit (tons/year)
Combined	less than 10
TOTAL	less than 10

- (a) The potential to emit (as defined in 326 IAC 2-1.1-1(16)) of nitrogen oxides (NO_x) and carbon monoxide (CO) are equal to or greater than 100 tons per year. Therefore, the source is subject to the provisions of 326 IAC 2-7.
- (b) Fugitive Emissions
Since this type of operation is one of the twenty-eight (28) listed source categories under 326 IAC 2-2 and since there are applicable New Source Performance Standards that were in effect on August 7, 1980, the fugitive emissions are counted toward determination of PSD and Emission Offset applicability.

Actual Emissions

The following table shows the actual emissions from the source. This information reflects the 2000 OAQ emission data.

Pollutant	Actual Emissions (tons/year)
PM	no data provided
PM-10	13
SO ₂	no data provided
VOC	2
CO	22
NO _x	88
HAP (specify)	no data provided

Potential to Emit After Issuance

The table below summarizes the potential to emit, reflecting all limits, of the significant emission units after controls. The control equipment is considered federally enforceable only after issuance of this Part 70 permit.

	Potential to Emit (tons/year)						
Process/facility	PM	PM-10	SO ₂	VOC	CO	NO _x	HAPs
Gas Turbine (CT01)	14.4	14.4	6.2	4.6	179	698	---
Auxiliary Boiler (B1)	2.15	8.65	0.7	6.25	95.65	113.9	2.2
Auxiliary Boiler (B2)	2.15	8.65	0.7	6.25	95.65	113.9	2.2
Total	18.7	31.7	7.6	17.1	370.3	925.8	4.4

County Attainment Status

The source is located in Porter County.

Pollutant	Status
PM-10	Unclassifiable
SO ₂	Unclassifiable
NO ₂	Severe Nonattainment
Ozone	Severe Nonattainment
CO	Attainment
Lead	Attainment

- (a) Volatile organic compounds (VOC) are precursors for the formation of ozone. Therefore, VOC emissions are considered when evaluating the rule applicability relating to the ozone standards. Porter County has been designated as nonattainment for ozone. Therefore, VOC emissions were reviewed pursuant to the requirements for Emission Offset, 326 IAC 2-3.
- (b) Porter County has been classified as attainment for PM-10, SO₂, CO and Lead. Therefore, these emissions were reviewed pursuant to the requirements for Prevention of Significant Deterioration (PSD), 326 IAC 2-2 and 40 CFR 52.21.
- (c) Fugitive Emissions
Since this type of operation is one of the twenty-eight (28) listed source categories under 326 IAC 2-2 and since there are applicable New Source Performance Standards that were in effect on August 7, 1980, the fugitive emissions are counted toward determination of PSD and Emission Offset applicability.

Part 70 Permit Conditions

This source is subject to the requirements of 326 IAC 2-7, pursuant to which the source has to meet the following:

- (a) Emission limitations and standards, including those operational requirements and limitations that assure compliance with all applicable requirements at the time of issuance of Part 70 permits.
- (b) Monitoring and related record keeping requirements which assume that all reasonable information is provided to evaluate continuous compliance with the applicable requirements.

Federal Rule Applicability

- (a) The two (2) natural gas-fired boilers are subject to the New Source Performance Standard, 326 IAC 12, (40 CFR 60.40, Subpart Db) (Standards of Performance for Industrial-Commercial-Institutional Steam generating Units). Pursuant to 326 IAC 12 (New Source Performance Standards), the Permittee shall comply with the requirements and standards from 40 CFR 60, Subpart Db as follows:
- (1) Emission limitations:
 - (A) Pursuant to CP127-5260 and 40 CFR 60.42b, sulfur dioxide (SO₂) emissions from the boilers shall be achieved by the combustion of only natural gas with propane as a backup.
 - (B) Pursuant to CP127-5260 and due to the fact that the propane shall produce higher nitrogen dioxide emissions, the amount of propane fired in the boilers shall be limited to emergency use with amount fired recorded and reported.
 - (C) Pursuant to 40 CFR 60.44b, nitrogen oxides from the boilers shall not exceed 0.10 lb/mmBtu for low heat release rate; 0.20 lb/mmBtu for high heat release rate.
 - (D) Pursuant to 40 CFR 60.43b, standard for particulate matter, the boilers do not have a particulate matter limit because they burn natural gas.
 - (2) Continuous Emissions Monitoring
 - (A) Pursuant to 40 CFR 60.48b, the Permittee shall install, calibrate, maintain, and operate a continuous monitoring system for measuring nitrogen oxides emissions discharged to the atmosphere.
 - (3) NSPS Compliance
 - (A) The nitrogen oxides emissions standards under 40 CFR 60.44b apply at all times.
 - (B) Compliance with the NO_x emission limitation shall be determined by the methods and procedures in 40 CFR 60.46b(e)(3).
 - (C) The continuous monitoring system shall be operated during all periods of operation except for continuous monitoring system breakdowns and repairs.
 - (4) Record Keeping and Reporting Requirements
 - (A) To document compliance with the NO_x standard, the Permittee shall in accordance with 40 CFR 60.49b.
 - (B) To document compliance with 40 CFR 60.49b(g), the Permittee shall maintain the following records for each steam generating unit operating day and submit quarterly summaries:
 - (1) Calendar date.
 - (2) The average hourly nitrogen oxides emission rates (expressed as NO₂)(ng/J or lb/million Btu heat input) measured or predicted.
 - (3) The 30-day average nitrogen oxides emission rates (ng/J or lb/million Btu heat input) calculated at the end of each steam generating unit operating day from the measured or predicted hourly nitrogen oxide emission rates for the preceding 30 steam generating unit operating days.
 - (4) Identification of the steam generating unit operating days when the calculated 30-day average nitrogen oxides emission rates are in excess of the nitrogen oxides emissions standards under § 60.44(b), with the reasons for such excess emissions as well as a description of corrective actions taken.
 - (5) Identification of the steam generating unit operating days for

- which pollutant data have not been obtained, including reasons for not obtaining sufficient data and a description of corrective actions taken.
- (6) Identification of the times when emission data have been excluded from the calculation of average emission rates and the reasons for excluding data.
 - (7) Identification of "F" factor used for calculations, method of determination, and type of fuel combusted.
 - (8) Identification of the times when the pollutant concentration exceeded full span of the continuous monitoring system.
 - (9) Description of any modifications to the continuous monitoring system that could affect the ability of the continuous monitoring system to comply with Performance Specification 2 or 3.
 - (10) Results of daily CEMS drift tests and quarterly accuracy assessments as required under Appendix F, Procedure 1.
- (b) The one (1) natural gas-fired dry low-NO_x combustion turbine is subject to the New Source Performance Standard, 326 IAC 12 (40 CFR 60, Subpart GG) (Standards of Performance for Stationary Gas Turbines).
- (1) Standards for Nitrogen Oxides (40 CFR 60.332) is not applicable because the Source does not meet the definitions in 40 CFR 60.332(b)(c) or (d). A detailed explanation can be found in this TSD under "Existing Approvals". There was an incorrect application of this rule in CP127-5260 and there is a detailed explanation of why the condition was not carried over.
 - (2) Standards for Sulfur Dioxide (40 CFR 60.333) is applicable. Pursuant to 40 CFR 60.333(a) and (b) the source shall limit sulfur dioxide emissions to 0.015 percent by volume at 15 percent oxygen on a dry basis, or use natural gas fuel with a sulfur content less than or equal to 0.8 percent by weight.
 - (3) Pursuant to 40 CFR 60.334(b)(1)&(2), Subpart GG, the Permittee shall monitor the nitrogen and sulfur content of the fuel being fired in the combustion turbine. The frequency of determination of these values shall be as follows:
 - (A) If the turbine is supplied its fuel from a bulk storage tank, the values shall be determined on each occasion that fuel is transferred to the storage tank from any other source.
 - (B) If turbine is supplied its fuel without intermediate bulk storage the values shall be determined and recorded daily. Owners, operators or fuel vendors may develop custom schedules for determination of the values based on the design and operation of the affected facility and the characteristics of the fuel supply. These custom schedules shall be substantiated with data and must be approved by the Administrator before they can be used to comply with the monitoring requirements.
 - (4) 40 CFR 60.334(a) is not applicable because the source does not use water re-injection for NO_x control.
 - (5) Report periods of excess emissions, as required by 40 CFR 334.(c).
- (c) There are no National Emission Standards for Hazardous Air Pollutants (NESHAPs) (40 CFR 63) applicable to this source.
- (d) This source is not subject Title IV (Acid Deposition Control) of the Clean Air Act, as defined in 326 IAC 2-7-1(3). It is exempt because it does not as of November 15, 1990

serve a generator with a nameplate capacity of greater than 25 Mwe.

- (e) The requirements of Section 112(j) of the Clean Air Act (40 CFR Part 63.5 through 63.56) are not applicable to this Source because the Source does not have the potential to emit 10 tons per year or greater of a single HAP or 25 tons per year or greater of a combination of HAPs.

State Rule Applicability - Entire Source

326 IAC 2-2 (Prevention of Significant Deterioration)

This source is a major source, pursuant to 326 IAC 2-2 (Prevention of Significant Deterioration) and 40 CFR 52.21 and 326 IAC 2-3 (Emission Offset).

326 IAC 2-6 (Emission Reporting)

This source is subject to 326 IAC 2-6 (Emission Reporting), because it has the potential to emit more than ten (10) tons per year of both VOC and NO_x. Pursuant to this rule, the owner/operator of the source must annually submit an emission statement for the source. The annual statement must be received by April 15th of each year and contain the minimum requirement as specified in 326 IAC 2-6-4. The submittal should cover the period defined in 326 IAC 2-6-2(8)(Emission Statement Operating Year).

326 IAC 5-1 (Opacity Limitations)

Pursuant to 326 IAC 5-1-2 (Opacity Limitations), except as provided in 326 IAC 5-1-3 (Temporary Alternative Opacity Limitations), opacity shall meet the following, unless otherwise stated in this permit:

- (a) Opacity shall not exceed an average of forty percent (40%) any one (1) six (6) minute averaging period as determined in 326 IAC 5-1-4.
- (b) Opacity shall not exceed sixty percent (60%) for more than a cumulative total of fifteen (15) minutes (sixty (60) readings as measured according to 40 CFR 60, Appendix A, Method 9 or fifteen (15) one (1) minute nonoverlapping integrated averages for a continuous opacity monitor) in a six (6) hour period.

326 IAC 7-3-1 (Ambient Monitoring)

The Source is not subject to 326 IAC 7-3-1 because the total SO₂ actual emissions are not greater than (10,000) tons per year.

326 IAC 7-4-14 (Porter County Sulfur Dioxide Emission Limitations)

The Source is not subject to 326 IAC 7-4-14 because the Source is not specifically listed in this rule.

326 IAC 7-1.1-2 (Sulfur Dioxide Emission Limitations)

The facilities at this Source are not subject to any limits in this rule because they don't combust coal or fuel oil.

State Rule Applicability - Turbine

(Particulate Matter Limitations)

Pursuant to CP-127-5260 issued on May 14, 1996, 326 IAC 2-2-3 (Prevention of Significant Deterioration) and 40 CFR 52.21, particulate matter emissions from the turbine shall not exceed 5 pounds per hour.

Pursuant to 326 IAC 6-2-4 (Particulate Matter Limitations), particulate matter emissions from the turbine shall not exceed 0.18 pounds per mmBtu.

The pounds per hour limitation was calculated with the following equation:

$$Pt = \frac{1.09}{Q^{0.26}} = \text{pounds per mmBtu}$$

$$Pt = \frac{1.09}{[498 + 2(260)]^{0.26}} = 0.18 \text{ lbs/mmBtu}$$

Nitrogen Oxides Emissions Limitations

Pursuant to CP127-5260-00067, issued on May 14, 1996, 326 IAC 2-2 (Prevention of Significant Deterioration), 326 IAC 2-3 (Emission Offset) and 40 CFR 52.21, NOx emissions from the turbine shall not exceed 30 pounds per hour.

Carbon Monoxide Emissions Limitations

Pursuant to CP127-5260, issued on May 14, 1996:

- (1) The turbine shall not exceed 5,110 hours per calendar year operating in the Power Augmentation mode with CO emissions not exceeding 40 pounds per hour. The CO emissions generated during the remaining hours shall not exceed 12 pounds per hour.
- (2) Pursuant to 326 IAC 2-2-3 (Prevention of Significant Deterioration) and 40 CFR 52.21, the carbon monoxide emissions from the turbine shall comply with BACT by use of combustion control techniques, proper maintenance and not exceeding: 10 ppmvd CO @ 15% oxygen during non-power augmentation and 40 ppmvd CP @ 15% oxygen during power augmentation.

326 IAC 10-4 (NOx Budget Trading Program)

Pursuant to 326 IAC 10-4-2(27) the unit is considered a "large affected unit" because it commenced operation on or after January 1, 1997 and before January 1, 1999, has a maximum design heat input greater than two hundred fifty million (250,000,000) Btus per hour and did not serve during 1997 or 1998 a generator producing electricity for sale under a firm contract to the electric grid. Pursuant to 326 IAC 10-4-1(a)(2), a "large affected unit" is a NOx budget unit. Because this source meets the criteria of having one (1) or more NOx budget units, it is a NOx budget source. The Permittee shall be subject to the requirements of this rule.

Pursuant to 326 IAC 10-4-12(c), the Permittee shall install the appropriate monitoring systems and complete all certification tests as required by 326 IAC 10-4-12(b)(1) through (3) on or before May 1, 2003. The Permittee shall record, report, and quality assure the data from the monitoring systems on and after May 1, 2003.

State Rule Applicability - Boilers

Particulate Matter Emissions Limitation

Pursuant to 326 IAC 2-2-3 (Emissions Offset), 40 CFR 52.21 and CP-127-5260 issued on May 14, 1996, particulate matter emissions from the two (2) 260 mmBtu/hr boilers shall be limited by the combustion of natural gas and shall not exceed 0.005 pounds per mmBtu with propane as an emergency fuel when the natural gas is interrupted or curtailed and maintenance of good combustion control.

Pursuant to 326 IAC 6-2-2(a) [Emission Limitations for facilities specified in 326 IAC 6-2-1(b)], particulate matter emissions from each of the boilers shall not exceed 0.28 pounds per mmBtu.

The pounds per hour limitation was calculated with the following equation:

$$Pt = \frac{0.87}{Q^{0.16}} = \text{pounds per mmBtu} \quad Q = 1,018$$

$$Pt = \frac{0.87}{[498 + 2(260)]^{0.16}} = 0.28 \text{ lbs/mmBtu}$$

Nitrogen Oxides Emissions Limitations

Pursuant to 326 IAC 2-2-3 (Prevention of Significant Deterioration) and 326 IAC 2-3 (Emission Offset) and CP-127-5260 issued on May 14, 1996, the emissions of nitrogen oxides, expressed as nitrogen dioxide (NO₂), from the natural gas-fired boilers shall not exceed 0.036 pounds per mmBtu for natural gas and 0.061 pounds per mmBtu for propane. Therefore, compliance with 326 IAC 12 and 40 CFR 60.44b shall be achieved.

Carbon Monoxide Emissions Limitations

Pursuant to 326 IAC 2-2-3 (Prevention of Significant Deterioration), 40 CFR 52.21 and CP-127-5260 issued on May 14, 1996, the carbon monoxide emissions from the boilers shall comply by use of combustion control techniques, proper maintenance, and emissions not exceeding 0.074 pounds per mmBtu.

326 IAC 10-4 (NOx Budget Trading Program)

Pursuant to 326 IAC 10-4-2(27) the unit is considered a "large affected unit" because it commenced operation on or after January 1, 1997 and before January 1, 1999, has a maximum design heat input greater than two hundred fifty million (250,000,000) Btus per hour and did not serve during 1997 or 1998 a generator producing electricity for sale under a firm contract to the electric grid. Pursuant to 326 IAC 10-4-1(a)(2), a "large affected unit" is a NOx budget unit. Because this source meets the criteria of having one (1) or more NOx budget units, it is a NOx budget source. The Permittee shall be subject to the requirements of this rule.

Pursuant to 326 IAC 10-4-12(c), the Permittee shall install the appropriate monitoring systems and complete all certification tests as required by 326 IAC 10-4-12(b)(1) through (3) on or before May 1, 2003. The Permittee shall record, report, and quality assure the data from the monitoring systems on and after May 1, 2003.

State Rule Applicability - Insignificant Activities (Degreasing Operations)

326 IAC 8-3-2 & 326 IAC 8-3-5(a)(b) (Volatile Organic Compounds (VOC))

Pursuant to 326 IAC 8-3-2 and 8-3-5(a) (Cold Cleaner Operations) the owner or operator of a cold cleaner degreaser without remote solvent reservoirs constructed after July 1, 1990, shall ensure that the following requirements are met:

- (1) Equip the degreaser with a cover. The cover must be designed so that it can be easily operated with one (1) hand if:
 - (A) The solvent volatility is greater than two (2) kiloPascals (fifteen (15) millimeters of mercury or three-tenths (0.3) pounds per square inch) measured at thirty-eight degrees Celsius (38EC) (one hundred degrees Fahrenheit (100EF));
 - (B) The solvent is agitated; or
 - (C) The solvent is heater.
- (2) Equip the degreaser with a facility for draining cleaned articles. If the solvent volatility is greater than four and three-tenths (4.3) kiloPascals (thirty-two (32) millimeters of mercury or six-tenths (0.6) pounds per square inch) measured at thirty-eight degrees Celsius (38EC) (one hundred degrees Fahrenheit (100EF)), then the drainage facility must be internal such that articles are enclosed under the cover while draining. The drainage facility may be external for applications where an internal type cannot fit into the cleaning system.
- (3) Provide a permanent, conspicuous label which lists the operating requirements outlined in subsection (b).
- (4) The solvent spray, if used, must be a solid, fluid stream and shall be applied at a pressure which does not cause excessive splashing.

- (5) Equip the degreaser with a facility for draining cleaned articles. If the solvent volatility is greater than four and three-tenths (4.3) kiloPascals (thirty-two (32) millimeters of mercury or six-tenths (0.6) pounds per square inch) measured at thirty-eight degrees Celsius (38EC) (one hundred degrees Fahrenheit (100EF)), or if the solvent is heated to a temperature greater than forty-eight and nine-tenths degrees Celsius (48.9EC) (one hundred twenty degrees Fahrenheit (120EF));
 - (A) A freeboard that attains a freeboard ratio of seventy-five hundredths (0.75) or greater.
 - (B) A water cover when solvent is used is insoluble in, and heavier than, water.
 - (C) Other systems of demonstrated equivalent control such as a refrigerated chiller of carbon adsorption. Such systems shall be submitted to U.S. EPA as a SIP revision.

Pursuant to 326 IAC 8-3-2 and 326 IAC 8-3-5(b) (Cold Cleaner Degreaser Operation and Control), the owner or operator of a cold cleaning facility construction of which commenced after July 1, 1990, shall ensure that the following operating requirements are met:

- (1) Close the cover whenever articles are not being handled in the degreaser.
- (2) Drain cleaned articles for at least fifteen (15) seconds or until dripping ceases.
- (3) Store waste solvent only in covered containers and prohibit the disposal or transfer of waste solvent in any manner in which greater than twenty percent (20%) of the waste solvent by weight could evaporate.

Testing Requirements

Turbine

The turbine is subject to 326 IAC 10-4-4(b)(1), 326 IAC 10-4-12(b) and (c), and 40 CFR 75. Condition D.1.9, "NO_x monitoring requirement" requires the Permittee to install a CEM for NO_x by May 1, 2003. The Permittee has stated that the CEM is currently being installed. Therefore, there are no stack testing requirements for the turbine.

Boilers

Each of these boilers have CEM's to show compliance with the NO_x limit, required by 40 CFR 60, Subpart Db (condition D.2.9). Therefore, stack testing requirements for these boilers are not necessary.

Compliance Requirements

Permits issued under 326 IAC 2-7 are required to ensure that sources can demonstrate compliance with applicable state and federal rules on a more or less continuous basis. All state and federal rules contain compliance provisions, however, these provisions do not always fulfill the requirement for a more or less continuous demonstration. When this occurs IDEM, OAQ, in conjunction with the source, must develop specific conditions to satisfy 326 IAC 2-7-5. As a result, compliance requirements are divided into two sections: Compliance Determination Requirements and Compliance Monitoring Requirements.

Compliance Determination Requirements in Section D of the permit are those conditions that are found more or less directly within state and federal rules and the violation of which serves as grounds for enforcement action. If these conditions are not sufficient to demonstrate continuous compliance, they will be supplemented with Compliance Monitoring Requirements, also Section D of the permit. Unlike Compliance Determination Requirements, failure to meet Compliance

Monitoring conditions would serve as a trigger for corrective actions and not grounds for enforcement action. However, a violation in relation to a compliance monitoring condition will arise through a source's failure to take the appropriate corrective actions within a specific time period.

The compliance monitoring requirements applicable to this source are as follows:

(1) The turbine has applicable compliance monitoring conditions as specified below:

(A) Sulfur Content and Nitrogen Content

Pursuant to 40 CFR 60, Subpart GG, the Permittee shall monitor the nitrogen and sulfur content of the fuel being fired in the turbine. The frequency of determination of these values shall be as follows:

- (1) If the turbine is supplied its fuel from a bulk storage tank, the values shall be determined on each occasion that fuel is transferred to the storage tank from any other source.
- (2) If the turbine is supplied its fuel without intermediate bulk storage the values shall be determined and recorded daily. Owners, operators or fuel vendors may develop custom schedules for determination of the values based on the design and operation of the affected facility and the characteristics of the fuel supply. These custom schedules shall be substantiated with data and must be approved by the Administrator before they can be used to comply with the monitoring requirements.

(2) Pursuant to CP-127-5260 issued on May 14, 1996, boilers have applicable compliance monitoring conditions as specified below:

(A) Pursuant to 40 CFR 60.48b(a) and (b)(1), the Permittee shall install, calibrate, maintain, and operate a continuous monitoring system for measuring nitrogen oxides emissions discharged to the atmosphere.

Pursuant to 40 CFR 60.48b(NSPS Subpart Db), in the event of CEM failure the Permittee shall use the following to monitor NOx emissions:

Standby monitoring systems, Method 7, Method 7A or other approved reference methods to provide emission data for a minimum of 75% of the operating hours each operating day, in at least 22 out of 30 successive steam generating days.

Conclusion

The operation of this electric generating station shall be subject to the conditions of the attached proposed Part 70 Permit No. T127-10138-00067.

Appendix A: Emission Calculations
Internal Combustion Engines - Natural Gas
Natural Gas Boilers

Company Name: Portside Energy
Address City IN Zip: 6290 US Highway 12, Portage, Indiana 46368
CP: CP 127-5260
Plt ID: 67
Reviewer: Laura M. Groom
Date: June 2002

Heat Input Capacity
MMBtu/hr

Potential Throughput
MMCF/yr

520.0

4555.2

Pollutant						
Emission Factor in lb/MMCF	PM*	PM10*	SO2	NOx	VOC	CO
	1.9	7.6	0.6	100.0	5.5	84.0
				**see below		
Potential Emission in tons/yr	4.3	17.3	1.4	227.8	12.5	191.3

*PM emission factor is filterable PM only. PM10 emission factor is condensable and filterable PM10 combined.

**Emission Factors for NOx: Uncontrolled = 280 (pre-NSPS) or 190 (post-NSPS), Low NOx Burner = 140, Flue gas recirculation = 100
(See Table 1.4-1)

Methodology

All emission factors are based on normal firing.

MMBtu = 1,000,000 Btu

MMCF = 1,000,000 Cubic Feet of Gas

Potential Throughput (MMCF) = Heat Input Capacity (MMBtu/hr) x 8,760 hrs/yr x 1 MMCF/1,000 MMBtu

Emission Factors from AP 42, Chapter 1.4, Tables 1.4-1, 1.4-2, and 1.4-3, SCC #1-01-006-01, 1-01-006-04
(AP-42 Supplement D 3/98)

Emission (tons/yr) = Throughput (MMCF/yr) x Emission Factor (lb/MMCF)/2,000 lb/ton

Note: Check the applicable rules and test methods for PM and PM10 when using the above emission factors to confirm that the correct factor is used (i.e., condensable included/not included).

See page 2 for HAPs emissions calculations.

Appendix A: Emission Calculations
Natural Gas Combustion Only
MMBTU/HR >100
Utility Boiler
HAPs Emissions

Company Name: Portside Energy
Address City IN Zip: 6290 US Highway 12, Portage, Indiana 46368
TV: T127-10138-00067
Reviewer: Laura M. Groom
Date: June 2002

HAPs - Organics

Emission Factor in lb/MMcf	Benzene 2.1E-03	Dichlorobenzene 1.2E-03	Formaldehyde 7.5E-02	Hexane 1.8E+00	Toluene 3.4E-03
Potential Emission in tons/yr	4.78E-03	2.73E-03	1.71E-01	4.10E+00	7.74E-03

HAPs - Metals

Emission Factor in lb/MMcf	Lead 5.0E-04	Cadmium 1.1E-03	Chromium 1.4E-03	Manganese 3.8E-04	Nickel 2.1E-03
Potential Emission in tons/yr	1.14E-03	2.51E-03	3.19E-03	8.65E-04	4.78E-03

Methodology is the same as page 1.

Additional HAPs emission factors are available in AP-42, Chapter 1.4.

Natural Gas Fired Turbine

Source Name: Portside Energy
Source Location: 6290 US Highway 12, Portage, Indiana 46368
Permit #: T127-10138-00067
Plant ID: 177-00040
Permit Reviewer: Laura M. Groom

Total heat input (MMBtu/hr) = 498.0

Pollutant	Diesel Fuel		
	Ef (lb/MMBtu)	Potential Emissions	
		lbs/hr	tons/yr
PM	0.0066	3.3	14.4
PM-10	0.0066	3.3	14.4
SO2	0.0030	1.5	6.5
NOx	0.3200	159.4	698.0
VOC	0.0020	1.0	4.4
CO	0.0800	39.8	174.5

Methodology:

Emission Factors are from AP 42 (4/00 version), Chapter 3.1, Tables 3.1-1 and 3.1-2, SCC #2-01-002-01

Emissions (ton/year) = Heat Input Capacity (MMBtu/hr) x Emission factor (lb/MMBtu) x 8,760 hrs/yr / 2000 lbs/ton